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Saskatchewan

Public Accounts 1989-90

Volume 2

Supplementary Financial Statements

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Saskatchewan



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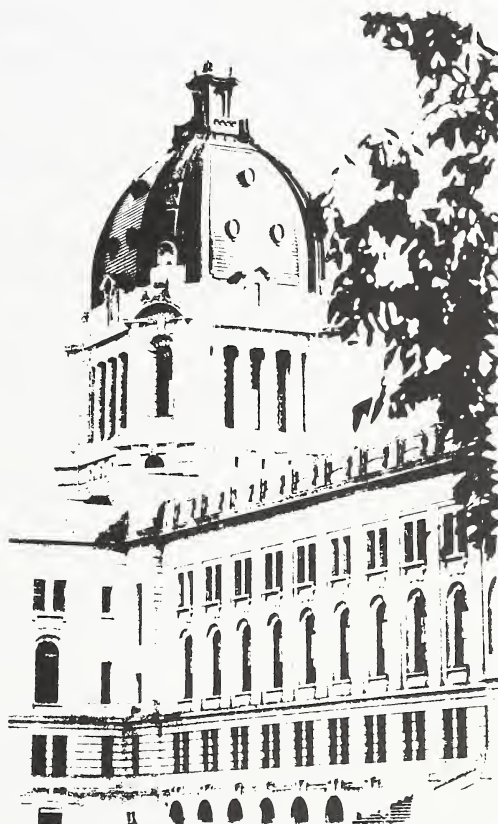


Province of
Saskatchewan

Public Accounts 1989-90

Volume 2

Supplementary Financial Statements



Saskatchewan

Scope of the Public Accounts

The Public Accounts are organized into three volumes:

Volume 1 — Main Financial Statements

Volume 1 consists of two parts:

- Part A — Financial Statements of the Combined Funds
 - Financial Statements of the Consolidated Fund
 - Financial Statements of the Saskatchewan Heritage Fund

Part B — Additional Information on Debt

Volume 2 — Supplementary Financial Statements

Summary information of Superannuation, Trust and Special Purpose Funds under the control of the Minister of Finance

Financial statements of Revolving Funds; and

Other financial statements which are not tabled separately in the Legislature.

Volume 3 — Details of Revenue and Expenditure Activity


Summary Revenue and Expenditure Information for the Combined, Consolidated and Saskatchewan Heritage Funds.

Consolidated Fund Revenue and Expenditure Details;

Saskatchewan Heritage Fund Revenue and Expenditure Details; and

Other Information — Statement of Remission of Taxes and Fees.

A Detailed Table of Contents is provided at the beginning of each of the Volumes.



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Supplementary Financial Statements

Preamble

Contained in the first part of this Volume is summary financial information on a variety of funds administered by the Minister of Finance. These include superannuation funds over which the Minister provides general administrative support, trust monies held for third parties under various arrangements and special purpose monies held for specified use.

Following this summary information are financial statements of revolving funds and other government entities for which the governing legislation does not require that the financial statements of the entities be tabled separately before the Legislative Assembly.

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Note: The following financial statements are not included in the 1989-90 Public Accounts as they were not finalized at the time of printing:

- Public Employees Disability Income Fund
- Public Employees Group Life Insurance Fund

**Summary of Superannuation, Trust,
and Special Purpose Funds**

Summary of Superannuation, Trust, and Special Purpose Fund Balances

March 31, 1990

(\$ Thousands)

Assets	1990	1989
Cash	\$ 46,050,479	\$ 37,647,101
Investments	1,797,735,417	1,681,069,345
Accounts Receivable	55,180,653	48,034,300
Other Assets	23,799,225	14,121,336
Total Assets	\$ 1,922,765,774	\$ 1,780,872,082

Liabilities and Fund Balances

Liabilities	\$ 38,098,650	\$ 155,416,150
Superannuation Funds Held in Trust	1,738,092,629	1,583,090,046
Other Trust Funds	121,838,044	128,896,080
Other Special Purpose Funds	24,736,451	(86,530,194)
Total Liabilities and Fund Balances	\$ 1,922,765,774	\$ 1,780,872,082

(See accompanying notes)

Summary of Individual Superannuation, Trust and Special Purpose Funds

At March 31, 1990

	Cash in Bank	Investments	Accounts Receivable	Other Assets	Total Assets	Liabilities	Fund Balance
Superannuation Funds							
Education							
The Teachers' Superannuation Commission (5)	5,334,601 \$	829,385,311 \$	24,991,510 \$	— \$	859,711,422 \$	7,453,988 \$	852,257,434
Public Employees Benefits Agency							
Anti-Tuberculosis League Employees Superannuation Fund (2)	21,394	4,699,896	103,184	—	4,824,474	9,179	4,815,295
Judges of the Provincial Court Superannuation Fund (2)	35,948	2,837,244	52,291	—	2,925,483	3,365	2,922,118
Liquor Board Superannuation Fund (2)(3)	102,160	11,551,229	295,467	—	11,948,856	6,342	11,942,514
Members of the Legislative Assembly Superannuation Fund (2)	20,338	5,998,768	226,377	—	6,245,483	261,633	5,983,850
Public Employees (Government Contributory) Superannuation Fund (2)	420,299	563,040,483	12,869,432	—	576,330,214	2,210,226	574,119,988
Public Employees (Government Contributory) Annuity Fund	119,941	10,355,186	343,922	—	10,819,049	51,074	10,767,975
Saskatchewan Transportation Company Employees Superannuation Fund (2)	63,945	17,771,573	361,584	—	18,197,102	13,147	18,183,955
Workmen's Compensation Board Superannuation Fund (1)(3)	71,131	12,848,320	234,504	—	13,153,955	19,215	13,134,740
Rural Development							
Municipal Employees Superannuation Fund (1)(3)	1,046,525	256,381,025	4,958,068	—	262,385,618	18,420,858	243,964,760
	7,236,282 \$	1,714,869,035 \$	44,436,339 \$	— \$	1,766,541,656 \$	28,449,027 \$	1,738,092,629
Trust Funds							
Agriculture							
Cattle Marketing Deductions Fund (1)	79,193 \$	995,000 \$	206,733 \$	— \$	1,280,926 \$	7,285 \$	1,273,641
Horned Cattle Trust Fund (1)	55,652	585,000	40,780	386,065	1,067,497	19,287	1,048,210
Saskatchewan Beef Stabilization Board Producer Trust Fund (2)	11,493	—	112,977	14,600	139,070	139,070	—
Consumer and Commercial Affairs							
Agricultural Implements Compensation Fund (2)	10,912	77,641	2,280	—	90,833	—	90,833
Education							
School for the Deaf — Miscellaneous Trust Fund	2,092	9,504	—	—	11,596	—	11,596
School for the Deaf — Student Trust Fund	14,252	—	—	—	14,252	—	14,252
Finance							
Administration Branch Suspense Account	25,916	—	—	—	25,916	—	25,916

	Cash in Bank	Investments	Accounts Receivable	Other Assets	Total Assets	Liabilities	Fund Balance
Province of Saskatchewan Trust	668,350	—	—	—	668,350	—	668,350
Public Employees Dental Fund (1)(3)	193,819	—	—	—	5,710,718	—	5,209,968
Public Employees Disability Income Fund (4)	—	4,628,932	887,967	—	—	500,750	—
Public Employees Group Life Insurance Fund (4)	—	—	—	—	—	—	—
Canada Savings Bond Account	1,062	—	—	—	1,062	—	1,062
Mortgage Protection Plan Account	4,673,089	—	—	—	4,673,089	—	4,673,089
Health							
The Psychiatric Centre, Weyburn:							
Grants and Donations Trust Fund	1,317	—	—	—	1,317	—	1,317
Patients Trust Account	3,335	—	—	—	3,335	300	3,035
The Saskatchewan Hospital,							
North Battleford:							
Patients Trust Account	25,214	44,449	46	—	69,709	—	69,709
Grants and Donations	53,834	—	—	—	53,834	—	53,834
Justice							
Chief Surveyor's Land Titles Trust							
Account	14,328	—	1,710	—	16,038	—	16,038
Danielson Park Inmates Trust	6,065	—	—	—	6,065	—	6,065
Judicial Centre Operations Accounts	386,167	—	1,280	—	387,447	—	387,447
Land Registrar's Operations Account	615,063	—	369,404	—	984,467	—	984,467
Provincial Mediation Board Trust							
Account	272,196	—	—	—	272,196	—	272,196
Provincial Court Operations Account	325,057	—	—	—	325,057	—	325,057
Surface Rights Arbitration Board Trust							
Account	99,630	—	—	—	99,630	—	99,630
Local Registrar's Operations Account	75,128	—	1,551	—	76,679	—	76,679
Meadow Lake Camp							
Inmates Trust Account	4,347	—	3,494	—	7,841	—	7,841
North Battleford Community Training							
Residence							
Joint Trust Account	41,335	—	—	2,127	43,462	—	43,462
North Battleford Correctional Centre:							
Inmates Trust Account	2,724	—	2,459	—	5,183	3,647	1,536
Director's Suspense Account	3,857	—	42	—	3,899	3,530	369
Northern Corrections Branch,							
Besnard Lake							
Inmates Trust Account	3,263	—	4,315	—	7,578	(489)	8,067
Northern Corrections Branch,							
Buffalo Narrows							
Inmates Trust Account	(276)	—	2,192	—	1,916	—	1,916
Pine Grove Correctional Centre,							
Prince Albert							
Inmates Collective Benefit Fund	1,416	—	—	—	1,416	—	1,416
Inmates Trust Account	9,218	—	—	—	9,218	—	9,218
Prince Albert Community Training							
Residence							
Joint Trust Account	12,338	—	744	—	13,082	—	13,082

Province of Saskatchewan Court Accounts	11,734,343	—	—	—	11,734,343	—	11,734,343
Provincial Correctional Centre, Prince Albert:							
Inmates Collective Benefit Fund	3,136	—	6,544	—	9,680	—	9,680
Inmates Trust Account	10,069	—	19,753	—	29,822	—	29,822
Provincial Correctional Centre, Regina:							
Inmates Collective Benefit Fund	1,092	—	—	—	1,092	59	1,033
Inmates Trust Account	16,360	—	40,277	—	56,637	—	56,637
Director's Suspense Account	442	—	308	—	750	—	750
Provincial Correctional Centre, Saskatoon:							
Inmates Collective Benefit Fund	4,642	—	—	—	4,642	—	4,642
Inmates Trust Account	15,034	—	28,206	—	43,240	17,353	25,887
Public Trustee:							
Trust Account	423,230	70,368,107	1,527,908	5,067,751	77,386,996	1,633,936	75,753,080
Regina Community Training Residence							
Joint Trust Account	18,630	3,035	10	24,922	46,597	585	46,012
Saskatoon Community Training Residence							
Joint Trust Account	42,431	—	758	6,355	49,544	519	49,025
Sheriff's Office and Trust Accounts	114,925	—	—	—	114,925	—	114,925
White Gull Camp:							
Inmates Trust Account	5,658	—	3,608	—	9,266	—	9,266
Human Resources Labour and Employment							
Wage Collection Trust Account	82,684	—	—	—	82,684	—	82,684
Social Services							
Battleford Youth Cottage:							
Resident Trust Account	1,155	—	—	—	1,155	—	1,155
Working Fund Account	724	—	—	—	724	—	724
Dales House	195	—	—	—	195	—	195
Kilburn Hall							
Recreation Account	1,579	—	—	—	1,579	—	1,579
Residence Trust Account	1,246	—	—	—	1,246	—	1,246
Social Services Central Trust Account (1)	34,061	—	340	—	34,401	—	34,401
Valley View Centre, Moose Jaw:							
Grants and Donations Trust Fund	69,046	—	10,713	—	79,759	—	79,759
Patients Trust Account	118,951	—	—	—	118,951	10,713	108,238
Creighton Community Youth Residence:							
Resident Trust Account	2,704	—	761	11	3,476	338	3,138
Kenossee Youth Work Camp:							
Resident Trust Account	—	—	1,131	—	1,131	217	914
Resident Camp Account	5,851	—	40	—	5,891	—	5,891
North Battleford Youth Centre:							
Resident Trust Account	1,743	—	—	—	1,743	—	1,743
Craft and Canteen Account	344	—	—	—	344	—	344
North Central Youth Camp, Prince Albert:							
Resident Fund	1,444	—	1,431	—	2,875	1,059	1,816
Resident Camp Account	3,122	—	—	—	3,122	—	3,122

	Cash in Bank	Investments	Accounts Receivable	Other Assets	Total Assets	Liabilities	Fund Balance
Paul Dojack Youth Centre:							
Resident Account	1,994	—	—	—	1,994	—	1,994
Yarrow Youth Farm							
Resident Trust Account	1,151	—	—	—	1,151	—	1,151
Handicraft Account	1,768	—	—	—	1,768	—	1,768
Urban Affairs							
Northern Revenue Sharing Trust							
Account (1)	11,576,827	—	935,565	8,318,578	20,830,970	2,559,168	18,271,802
\$	31,987,967	76,711,668	4,215,327	13,820,409	126,735,371	4,897,327	121,838,044
Special Purpose Funds							
Agriculture							
Land Clearing Account	193,859	—	—	—	193,859	—	193,859
Saskatchewan Beef Stabilization							
Board (2)	1,056,371	2,062,726	65,623	1,855,332	5,040,052	2,421,386	2,618,666
Saskatchewan Agriculture Returns							
Stabilization Fund:							
Cow-Calf-to-Finish Market Insurance							
Plan	617,429	—	1,260,877	—	1,878,306	141,507	1,736,799
Feeder Finish Market Insurance Plan	2,506,338	—	4,283,651	—	6,789,989	1,391,033	5,398,956
Saskatchewan Sheep and Wool Marketing							
Commission (1)(3)	14,952	—	32,883	15,783	63,618	37,575	26,043
Alcohol and Drug Abuse Commission							
Contingency Fund (2)	37,756	—	34	—	37,790	—	37,790
General Fund (2)	521,697	—	248,020	618,831	1,388,548	364,741	1,023,807
Energy and Mines							
Suspense Account	873,290	—	—	—	873,290	—	873,290
Farm Purchase Program Fund (1)	(8)	—	—	—	(8)	—	(8)
Health							
Mental Health Services Special Purpose							
(I.C.B.) Fund	6,560	96,910	—	—	103,470	—	103,470
The Psychiatric Centre, Weyburn							
Bazaar Account	7,735	196,923	300	14,033	218,991	37	218,954
The Saskatchewan Hospital,							
North Battleford:							
Bazaar Account	7,374	58,965	15,005	80,980	162,324	82	162,242
Canteen Account	21,742	88,786	—	10,786	121,314	100	121,214
Justice							
Court of Appeal Evidence Account	147,432	—	—	—	147,432	—	147,432
Land Titles Assurance Fund (1)	4,493	70,507	—	—	75,000	—	75,000
Maintenance Enforcement Program							
Account	26,282	—	—	—	26,282	—	26,282
North Battleford Correctional Centre							
Handicraft Account	1,984	—	1,662	—	3,646	846	2,800
Northern Corrections Branch, La Ronge							
Special Account	16,739	10,000	—	—	26,739	—	26,739
Pine Grove Correctional Centre,							
Prince Albert							
Handicraft Account	1,146	—	10,352	9,646	21,144	90	21,054

Provincial Correctional Centre, Prince Albert	13,911	—	15,740	56,225	85,876	—	85,876
Handicraft Account							
Provincial Correctional Centre, Regina	15,061	—	26,646	7,222	48,929	41	48,888
Handicraft Account							
Provincial Correctional Centre, Saskatoon:							
Handicraft Account	17,797	50	18,782	—	36,629	65	36,564
Public Trustee Fees Account	622	—	—	—	622	—	622
Unified Family Court Account	33,183	—	—	—	33,183	—	33,183
Parks and Renewable Resources							
Forest Renewal and Development Fund (1)	468,441	928,717	314,503	72,120	1,783,781	328,678	1,455,103
Fish and Wildlife Development Fund (2)	90,747	2,641,130	232,825	7,196,688	10,161,390	57,259	10,104,131
Social Services							
Valley View Centre, Moose Jaw:							
Bazaar Account	51,168	—	2,084	32,229	85,481	119	85,362
Canteen Account	72,129	—	—	8,941	81,070	8,737	72,333
\$	6,826,230	\$ 6,154,714	\$ 6,528,987	\$ 9,978,816	\$ 29,488,747	\$ 4,752,296	\$ 24,736,451
Total Superannuation, Trust and Special Purpose Funds	\$ 46,050,479	\$ 1,797,735,417	\$ 55,180,653	\$ 23,799,225	\$ 1,922,765,774	\$ 38,098,650	\$ 1,884,667,124

(1) Financial Statements are included in this Volume of the Public Accounts

(2) Report Tabled in Legislature

(3) At December 31, 1989

(4) Financial Statements were not finalized at the time of printing.

(5) At June 30, 1989

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Financial Statements of Revolving Funds

Conservation and Development Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Conservation and Development Revolving Fund as at March 31, 1990 and the statements of revenues and expenses and accumulated surplus and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
October 1, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As At March 31

Statement 1

	1990	1989
Assets		
Current:		
Accounts receivable	\$ 1,113	\$ 11,192
Inventories		
— Livestock	—	2,626,708
— Feeds, fuel and other	—	414,555
Prepaid license and insurance	—	3,158
Investments — cost	5,000	5,000
Fixed assets held for sale (Note 3)	206,000	921,792
	<u>\$ 212,113</u>	<u>\$ 3,982,405</u>
Liabilities and Fund Equity		
Current:		
Accounts payable	\$ 639	\$ 2,397
Fund Equity:		
Accumulated net expenditure (Statement 3)	(720,853)	3,838,099
Accumulated surplus (Statement 2)	932,327	141,909
	<u>211,474</u>	<u>3,980,008</u>
	<u>212,113</u>	<u>3,982,405</u>

(See accompanying notes to the financial statements)

Conservation and Development Revolving Fund

Statement of Revenues and Expenses and Accumulated Surplus

Year Ended March 31

Statement 2

1990
(Note 6(a))

Revenues:		
Cattle and hog sales	\$	746,261
Miscellaneous sales		120,311
		<u>866,572</u>
Expenses:		
Operations and administration (Schedule 1)		1,704,896
Operating loss (Statement 3)		<u>(838,324)</u>
Loss on disposal of breeding herds (Note 2)		(1,009,533)
Loss on disposal of fixed assets and miscellaneous assets (Note 2)		<u>(561,725)</u>
		<u>(1,571,258)</u>
Net loss		(2,409,582)
Surplus beginning of year		141,909
Accumulated deficit recovered from Consolidated Fund		3,200,000
Accumulated surplus end of year (Statement 1)	\$	<u>932,327</u>

(See accompanying notes to the financial statements)

Statement of Financing Activities and Accumulated Net Expenditure

Year Ended March 31

Statement 3

1990
(Note 6(a))

Financing requirements of the Revolving Fund:		
Capital (disposals) acquisitions:		
Proceeds from sale of breeding herds (Note 2)	\$	(1,425,576)
Proceeds from sale of miscellaneous fixed assets and miscellaneous assets (Note 2)		(171,575)
Purchase of fixed assets		7,500
		<u>(1,589,651)</u>
Amounts required to finance the operation of the Revolving Fund:		
Operating loss (Statement 2)		838,324
Items not affecting working capital — depreciation		<u>(101,429)</u>
		736,895
Working capital changes:		
(Decrease) in accounts receivable		(10,079)
(Decrease) in inventory		(3,041,263)
Less breeding herds disposed (Note 2)		<u>2,546,546</u>
(Decrease) in prepaid expenses		(3,158)
Decrease in accounts payable		1,758
		<u>230,699</u>
Accumulated deficit recovered from Consolidated Fund		(3,200,000)
Net cash recovery		(4,558,952)
Accumulated net expenditure, beginning in year		3,838,099
Accumulated net expenditure, end of year (Statement 1)	\$	<u>(720,853)</u>

(See accompanying notes to the financial statements)

Conservation and Development Revolving Fund

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

a) Authority of Reporting Entity

The authority for this Revolving Fund is contained in section 16(2) of The Department of Agriculture Act. The Revolving Fund manages certain northern farms.

b) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- ii) Disbursements made within 30 days after the fiscal year-end which pertain to the previous year are recorded as paid in the previous year.

c) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash (outflow) inflow from (to) the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the Revolving Fund.

d) Accumulated Net Expenditure

The accumulated net expenditure of the fund includes the following:

- i) amounts due to the Minister of Finance as at March 31, 1982 and assumed by the Revolving Fund in respect of working capital advances. These advances were subsequently written off by Treasury Board Order concurrent with a change in Consolidated Fund accounting policy which treats the financing of revolving fund activities as budgetary transactions.
- ii) net cash expenditure (recovery) for each fiscal year thereafter.

e) Authorized Financing

Section 16(11) of The Department of Agriculture Act, provides for a maximum amount of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor-in-Council. A maximum amount of \$10,000,000 was established by Order-in-Council 1859/83.

f) Disposition of Accumulated Surplus or Deficit

In accordance with Section 16(5) of The Department of Agriculture Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the Revolving Fund that Treasury Board may direct. Treasury Board has specified that any deficit which is in fact a subsidy and not a deficit due to business fluctuations must be recovered from the Department's appropriation in the same year. The department budgets for a subsidy to the Revolving Fund in the same year that the deficit occurs.

g) Depreciation

Depreciation of fixed assets is calculated on a straight line basis with the current rates being 5% to 15%.

h) Inventory

Inventory is valued at the lower of cost and net realizable value.

2. Discontinuation of Operations

The farming operations of the Revolving Fund were discontinued during the fiscal year ending March 31, 1990. As a result, the breeding herds of the farms were disposed of during the year and the farms' fixed assets and miscellaneous assets were either disposed of during the year or held for sale at year end.

3. Fixed Assets Held for Sale

	1990			1989
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Buildings, machinery and equipment	\$ 863,644	\$ 657,644	\$ 206,000	\$ 921,792

At fiscal year ended March 31, 1990 fixed assets owned by the Revolving Fund are being held for sale due to the discontinuation of operations. Fixed assets held for sale are valued at lower of cost and net realizable value.

4. Related Party Transactions

In accordance with established government practice, the Revolving Fund has not been charged with certain costs including occupancy, financing, general administrative and printing service costs. These costs have been absorbed by the Department of Agriculture and Food; therefore, no provision for such costs is reflected in these financial statements.

Conservation and Development Revolving Fund

5. Subsequent Event

The remaining fixed assets of the Revolving Fund were sold in May 1990. Proceeds from the sale of the fixed assets approximate their book value.

6. Comparative Figures

- a) Due to the discontinuation of operations, the statement of revenues and expenses and accumulated surplus and statement of financing activities and accumulated net expenditures and schedule of operating and administration expenses for the year ended March 31, 1990 are not comparable with the statements for the year ended March 31, 1989. Therefore, comparative figures for the year ended March 31, 1989 are provided in the balance sheet only.
- b) Certain 1989 balances have been reclassified to conform with the current year's presentation.

Schedule of Operating and Administration Expenses (Note 6(a))

March 31

Schedule 1

	1990
Wages and salaries	\$ 588,981
Livestock inventory	188,800
Fertilizer and forage	374,838
Other	254,004
Fuel, oil, and maintenance	176,732
Depreciation	101,429
Office salaries and administration	20,112
	<u>\$ 1,704,896</u>

Northern Saskatchewan Economic Development Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Northern Saskatchewan Economic Development Revolving Fund as at March 31, 1990 and the statement of operations and accumulated deficit and the statement of financing activities for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
July 27, 1990.

G. F. Wendel, C.A.
A/Provincial Auditor.

Statement of Financial Position

As at March 31, 1990

Statement 1

	1990	1989
Assets		
Loans pending (Note 10)	\$ 1,220,850	\$
Loans receivable (Note 2)	10,953,772	7,680,741
Accrued interest receivable (Note 3)	192,278	151,565
Accounts receivable	1,406	16,320
Investment in leased assets receivable (Note 1g) (Note 4)	272,221	317,711
Agreements for sales receivable	306,418	256,437
Inventory — repossessed assets (Note 1f)	125,805	400,602
Fixed assets — net book value (Note 1e)	28,053	52,070
	<u>\$ 13,100,803</u>	<u>\$ 8,875,446</u>
Liabilities and Equity		
Liabilities:		
Accounts payable and accrued liabilities	\$ 36,773	\$ 25,831
Unearned revenue (Note 1g)	52,763	67,036
Due to Minister of Finance (Statement 3)	12,174,622	7,680,741
	<u>12,264,158</u>	<u>7,773,608</u>
Equity:		
Accumulated net expenditure (Statement 3)	1,034,466	1,105,684
Accumulated deficit (Statement 2) (Note 8)	(197,821)	(3,846)
	<u>836,645</u>	<u>1,101,838</u>
	<u>\$ 13,100,803</u>	<u>\$ 8,875,446</u>

(See accompanying notes)

Northern Saskatchewan Economic Development Revolving Fund

Statement of Operations and Accumulated Deficit

For the Year Ended March 31, 1990

Statement 2

	1990	1989
Revenue	\$ 901,569	\$ 786,620
Administration Expense		
Salaries	329,313	351,091
Provision for uncollectible loans or accounts	505,139	179,725
Sundry	121,650	57,800
Travel and vehicle	55,866	54,769
Loss on disposal of inventory — repossessed assets	83,576	36,653
Loss on disposal of fixed assets		10,428
Total expenses	1,095,544	690,466
Net (loss) income	(193,975)	96,154
Accumulated deficit, beginning of year	(3,846)	(158,795)
Accumulated deficit recovered (Note 8)		58,795
Accumulated deficit, end of year (Statement 1)	\$ (197,821)	\$ (3,846)

(See accompanying notes)

Statement of Financing Activities

For the Year Ended March 31, 1990

Statement 3

	1990	1989
Changes in accumulated net expenditure		
Amounts required to finance operations (generated from operations)		
Net loss (income)	\$ 193,975	\$ (96,154)
Deduct items not requiring an outlay of funds		
— depreciation	(1,845)	(16,583)
— gain on sale of fixed assets		(10,428)
Working capital changes (Note 5)	(241,176)	606,516
	(49,046)	483,351
Other financing requirements (recoveries by) the Revolving Fund		
Purchase of assets		76,662
Proceeds from sale of assets	(22,172)	(16,500)
Recovery of accumulated deficit		(58,795)
Net cash (recovery) expenditure	(71,218)	484,718
Accumulated net expenditure, beginning of year	1,105,684	620,966
Accumulated net expenditure, end of year (Statement 1)	\$ 1,034,466	\$ 1,105,684
Changes in amount due to Minister of Finance		
Payments by Minister of Finance for loans	\$ 6,804,059	\$ 2,222,946
Less: Loans repaid to the Minister of Finance	(1,897,137)	(1,968,147)
Provisions for uncollectible loans, non-budgetary portion	(413,041)	(220,602)
Net increase in advances	4,493,881	34,197
Balance, beginning of year	7,680,741	7,646,544
Balance, end of year (Statement 1)	\$ 12,174,622	\$ 7,680,741

(See accompanying notes)

Northern Saskatchewan Economic Development Revolving Fund

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies:

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- ii) Disbursements made within 30 days after the fiscal year-end which pertain to the previous year are recorded as paid in the previous year.

b) Due to the Minister of Finance

This amount represents non-budgetary advances (net of loan repayments and non-budgetary portion of allowances for doubtful accounts) made by the Minister of Finance to provide funds for the loan program.

c) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the net cash outflow (inflow) from the Consolidated Fund to finance net capital acquisitions, working capital requirements and temporary financing of operating deficits of the Revolving Fund.

d) Accumulated Net Expenditure

The accumulated net expenditure of the Fund includes the following:

- i) Amounts due to the Minister of Finance as at March 31, 1982, and assumed by the Revolving Fund in respect of budgetary working capital advances. These advances were subsequently written off by Treasury Board Order concurrent with a change in Consolidated Fund accounting policy which treats the financing of revolving fund revenue and expense activities as budgetary transactions.
- ii) Net cash expenditure (recovery) for each fiscal year thereafter.

e) Fixed Assets and Depreciation

Fixed assets are recorded at cost net of accumulated depreciation. The cost and accumulated depreciation of items retired or disposed of are removed from the books and any gains or losses are included in the statement of operations.

Depreciation of all fixed assets is charged to the operations of the Revolving Fund commencing in the first full month that each asset is used and is computed by dividing the cost less estimated salvage value by the estimated useful life of the assets.

The following rates apply:

Assets	Rates
Office equipment	10%
Buildings	5%

f) Inventory — Repossessed Assets

Repossessed assets are stated at the lower of their net book value and net realizable value. When repossessed assets are sold, any gain or loss resulting from the sale is recorded in the statement of operations.

g) Leases

Finance income related to the direct financing leases is recognized in a manner that produces a constant rate of return on the investment in the lease. The investment in the lease for purposes of income recognition is composed of net minimum lease payments and unearned finance income.

2. Loans Receivable:

	1990	1989
Loans receivable — beginning of year	\$ 9,287,605	\$ 9,032,806
Deduct — Loans written off	974,338	.....
— Loans repaid	1,897,137	1,968,147
	6,416,130	7,064,659
Allowance for doubtful accounts	1,045,567	1,606,864
	5,370,563	5,457,795
Add — New loans issued	5,583,209	2,222,946
Loans receivable (net of allowance) — end of year	\$ 10,953,772	\$ 7,680,741

Northern Saskatchewan Economic Development Revolving Fund

3. Accrued Interest Receivable:

	1990	1989
Accrued interest receivable	\$ 335,876	\$ 366,729
Allowance for doubtful accounts	143,598	215,164
	<u>\$ 192,278</u>	<u>\$ 151,565</u>

4. Investment in Leased Assets Receivable:

	1990	1989
Investment in leased assets receivable	\$ 288,247	\$ 341,540
Allowance for doubtful accounts	16,026	23,829
	<u>\$ 272,221</u>	<u>\$ 317,711</u>

5. Working Capital Changes:

	1990	1989
Increase in accrued interest	\$ 40,713	\$ 67,626
(Decrease) increase in accounts receivable	(14,914)	16,320
(Decrease) increase in investment in leased assets receivable	(45,490)	202,734
Increase (decrease) in agreement for sale receivable	49,981	(6,938)
(Decrease) increase in inventory — repossessed assets	(274,797)	400,602
Decrease (increase) in current liabilities	3,331	(73,828)
	<u>\$ (241,176)</u>	<u>\$ 606,516</u>

6. Authority and Definition of Accounting Entity:

The authority for the establishment of this Revolving Fund is contained in Section 5 of The Northern Saskatchewan Economic Development Act and Sections 7.1 and 9.1 of The Economic Development and Tourism Act and the accounting policies are set forth in the regulations authorized by Treasury Board. The purpose of the Revolving Fund is to finance and provide a system of accounting for the provision of material and services as permitted by these Acts.

7. Authorized Financing:

Sections 9.1(13) and 9.1(14) of The Economic Development and Tourism Act provide for the maximum of accumulated net expenditures and advances which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. Under authority of order in council 1046/88 dated December 14, 1988, the maximum amounts have been set at \$1,500,000 for accumulated net expenditures and \$20,000,000 for advances.

8. Disposition of Accumulated Operating Surplus or Deficit:

Treasury Board under authority of Sections 12 and 13 of The Financial Administration Act, has specified that the maximum accumulated surplus/deficit for the Northern Saskatchewan Economic Development Revolving Fund shall be \$100,000. Treasury Board has also stated that any accumulated surplus (deficit) in excess of the maximum at the end of a fiscal year shall within 15 months be paid into (from) the Consolidated Fund.

9. Loans:

Loans bear interest at a rate established by order of the Minister of Economic Diversification and Trade, formerly Economic Development and Tourism and normally are repayable over a period not exceeding ten years. Security on individual loans varies according to what is considered adequate in the particular circumstances and includes promissory notes, mortgages on real property, chattel mortgages and insurance on assets and on the lives of borrowers.

The provision for uncollectible loans is determined by personnel of the Revolving Fund through analysis of each loan, taking into account repayment history and other relevant information concerning the operation of the loan recipient.

10. Loans Pending:

The Revolving Fund receives cheques from the Department of Finance made out to loan recipients to meet the amount committed per new loan agreements. These cheques are held by the Revolving Fund until the loan recipients have met the conditions of the loan agreements.

As at March 31, 1990 \$1,220,850 were held by the Revolving Fund.

11. Related Party Transactions:

In accordance with established government policy the Revolving Fund has not been charged with any occupancy costs and no provision for such costs is reflected in these statements. These costs are absorbed by various departmental appropriations.

Certain direct costs, including accounting and administrative costs related to the loans program, have been paid by The Department of Economic Diversification and Trade, formerly The Department of Economic Development and Tourism, and have not been reflected in these financial statements.

Saskatchewan Book Bureau Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Saskatchewan Book Bureau Revolving Fund as at March 31, 1990, and the statements of operations and accumulated operating surplus and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 26, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Petty cash	\$ 2,100	\$ 2,100
Accounts receivable	65,539	220,320
Inventories	1,629,870	1,883,583
Total Current Assets	1,697,509	2,106,003
Fixed assets (Note 5)	286,753	8,734
	<u>\$ 1,984,262</u>	<u>\$ 2,114,737</u>
Liabilities and Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 5,937	\$ 6,483
Customer deposits and credits	4,342	2,644
Capital lease obligation due within one year (Note 6)	31,781	.....
Total Current Liabilities	42,060	9,127
Capital Lease Obligation (Note 6)	74,948	.....
Fund Equity:		
Accumulated net expenditure (Statement 3)	1,576,671	1,720,853
Accumulated operating surplus (Statement 2)	290,583	384,757
	<u>1,867,254</u>	<u>2,105,610</u>
	<u>\$ 1,984,262</u>	<u>\$ 2,114,737</u>

(See accompanying notes)

Saskatchewan Book Bureau Revolving Fund

Statement of Operations and Accumulated Operating Surplus

For the Year Ended March 31

Statement 2

	1990	1989
Revenue:		
Sales	\$ 4,663,961	\$ 5,225,197
Cost of goods sold	3,975,279	4,416,460
Gross profit	688,682	808,737
Commission of E & H Tax	182	266
Restocking charge on returned sales	11,729	8,099
	<u>700,593</u>	<u>817,102</u>
Operating Expenses:		
Salaries	410,454	406,971
Office and warehouse	60,206	54,848
Computer rental and maintenance	37,041	64,305
Freight and express out	20,483	30,531
Depreciation and amortization	14,603	9,601
Telephone	8,955	7,346
Interest expense	4,136	.....
Service and repair equipment	2,539	3,695
Travel	804	468
Mechanical and electronic parts	640	4,041
Transportation charge — office and warehouse	154	130
(Gain) Loss on disposition of fixed assets	(5)	2
Bad debts .....	.....	407
	<u>560,010</u>	<u>582,345</u>
Net income from operations	140,583	234,757
Accumulated operating surplus, beginning of year	384,757	291,197
Accumulated operating surplus, paid to Consolidated Fund	(234,757)	(141,197)
Accumulated operating surplus, end of year (Statement 1)	<u>\$ 290,583</u>	<u>\$ 384,757</u>

(See accompanying notes)

Saskatchewan Book Bureau Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditures

Statement 3

For the Year Ended March 31

	1990	1989
Financing requirements of the Revolving Fund:		
Net capital acquisitions:		
Purchase of fixed assets	\$ 292,847	\$
Proceeds from sale of fixed assets	(230)	(18,437)
	<u>292,617</u>	<u>(18,437)</u>
Working capital changes:		
Increase (decrease) in accounts receivable	(152,609)	146,404
Increase (decrease) in inventories	(257,123)	501,138
Decrease (increase) in accounts payable	(32,933)	47,148
	<u>(442,665)</u>	<u>694,690</u>
Decrease (increase) in capital lease obligations	(74,948)	.....
Prior year's income (of Revolving Fund) transferable to (recoverable from) Consolidated Fund	<u>234,757</u>	<u>141,197</u>
	<u>9,761</u>	<u>817,450</u>
Less amount financed by operations:		
Net income	140,583	234,757
Items not requiring an outlay (inflow) of funds:		
— depreciation	14,603	9,601
— (gain) loss on disposal of fixed assets	(5)	2
	<u>155,181</u>	<u>244,360</u>
Net expenditure (recovery)	(145,420)	573,090
Assets transferred to Revolving Fund at no cost during year	1,238	95,198
Accumulated net expenditure, beginning of year	1,720,853	1,052,565
Accumulated net expenditure, end of year (Statement 1)	<u>\$ 1,576,671</u>	<u>\$ 1,720,853</u>

(See accompanying notes)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies:

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- Disbursements made within 30 days after the fiscal year are recorded as paid in the previous year.

b) Accumulated Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the revolving fund.

c) Accumulated Net Expenditure

The accumulated net expenditure of the Fund includes the following:

- Amounts due to the Minister of Finance as at March 31, 1982, and assumed by the revolving fund in respect of working capital advances. These advances were subsequently written off by Treasury Board Order concurrent with a change in Consolidated Fund accounting policy which treats the financing of revolving fund activities as budgetary transactions.
- Net cash expenditure (recovery) for each fiscal year thereafter.

Saskatchewan Book Bureau Revolving Fund

d) Depreciation

Depreciation is provided on office and warehouse equipment on a straight line basis at an annual rate of 10% of acquisition value. Computer software costs are amortized at an annual rate of 25% from the date the software becomes operational. Leased assets are amortized on a straightline basis over the term of the lease.

e) Inventory Valuation

Inventory is valued at the lower of average cost and net realizable value.

f) Pricing Policy

The Bureau's sales catalogue of books and educational materials and the retail list prices of the items therein are revised periodically by the management with a view to operating the revolving fund as close to the break even point as possible. For the 1989 and 1990 years, the retail list price of publications was based on invoice cost plus 16.5%.

2. Authority and Definition of Entity

The authority for this revolving fund is contained in Section 10.4(1) of The Education Act. The purpose of the Saskatchewan Book Bureau Revolving Fund is to finance and to provide a system of accounting for the purchase, sale and distribution of such school textbooks, workbooks, reference textbooks, related print and non-print materials as authorized by the Department of Education for use in Saskatchewan schools, and to serve as distributor and sales agent for publications and materials of the Department of Education.

3. Authorized Financing

Section 10.4(8) of The Education Act provides for a maximum amount of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor-in-Council. The maximum amount has been set at \$4,000,000.

4. Disposition of Accumulated Operating Surplus or Deficit

In accordance with section 10.4(4) of The Education Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the revolving fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the Book Bureau Revolving Fund shall be \$150,000. Treasury Board has also specified that if at the end of the fiscal year the accumulated surplus (deficit) exceeds the maximum, then any surplus (deficit) in excess of the maximum shall, as soon as possible after the close of the fiscal year be paid into (from) the Consolidated Fund.

5. Fixed Assets

	1990			1989	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value	
Office equipment	\$ 8,047	\$ 5,761	\$ 2,286	\$ 2,488	
Warehouse equipment	40,029	35,202	4,827	6,246	
Computer software	140,230	.....	140,230	.....
Leased computer equipment	152,001	12,591	139,410	.....
	<u>\$ 340,307</u>	<u>\$ 53,554</u>	<u>\$ 286,753</u>	<u>\$ 8,734</u>	

Depreciation and amortization provided in the financial statements for the current year amounted to \$14,603 (1989 — \$9,601).

6. Leased Computer Equipment

Computer equipment under capital lease from Saskatchewan Property Management Corporation is being amortized on a straight line basis over the lease term of four years. The amortization provided in current year's financial statements amounted to \$12,591 (1989 — Nil).

The following is a schedule of the minimum lease payments under this lease expiring December 31, 1993; together with the balance of the obligation under the lease.

For the year ended March 31:

	1990	1989
1991	\$ 48,071	\$
1992	48,071	.....
1993	48,071	.....
Total minimum lease payment	144,213	.....
Less: Amount representing interest @ 11.5%	(25,436)	.....
Administration charge @ 4016 per annum	(12,048)	.....
Capital lease obligation	<u>\$ 106,729</u>	<u>\$</u>

Saskatchewan Book Bureau Revolving Fund

7. **Related Party Transactions**

In accordance with established government policy the revolving fund has not been charged with certain costs including occupancy, financing and certain administrative costs. These costs have been absorbed by various departmental appropriations and therefore no provision for such costs is reflected in these financial statements.

8. **Commitments**

The revolving fund is committed to the following approximate expenditures:

- 1) Grade 9 Social Studies Textbook — \$878,672 1991 to 1996

Public Employees Benefits Agency Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Public Employees Benefits Agency Revolving Fund as at March 31, 1989, and the statements of operations and financing activities and accumulated net expenditures for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1989, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 2 to the financial statements.

Regina, Saskatchewan
October 22, 1990

G. F. Wendel, C.A.
A/Provincial Auditor

Balance Sheet

Statement 1

As at March 31, 1989

Assets

Current:

Accounts receivable	\$110,408
Prepaid computer equipment lease	40,531
	<u>\$150,939</u>

Liabilities and Equity

Liabilities:

Accounts payable	\$144,199
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Equity:

Accumulated net expenditure (Statement 3)	6,740
	<u>\$150,939</u>

(See accompanying notes)

Statement of Operations

Statement 2

For the Year Ended March 31, 1989

Revenue:

Administration fees	\$1,882,780
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Expenses:

Salary and benefits expense	1,009,843
Contractual services — professional and technical	536,560
Rent	134,333
Advertising/printing related expenses	26,224
Repairs and maintenance — furniture/equipment	3,972
Travel	25,241
Postage and communications	103,035
Supplies	42,893
Business entertainment expense	599
Amortization — computer equipment lease	80
	<u>\$1,882,780</u>

Total Expenses	\$1,882,780
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Excess of Revenue over Expenses	\$ —
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(See accompanying notes)

Public Employees Benefits Agency Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditures

Statement 3

For the Year Ended March 31, 1989

Financing Requirements of the Revolving Fund

Net capital acquisition:

Prepaid computer equipment lease	\$ 40,611
--	-----------

Working capital changes:

Increase in accounts receivable	110,408
(Increase) in accounts payable	(144,199)
	(33,791)

Less amounts financed by operations:

Excess of revenue over expenses	—
Items not affecting working capital	
— Amortization — computer equipment lease	80
	80

Net expenditure (recovery)	6,740
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Accumulated net expenditure, beginning of year	—
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Accumulated net expenditure, end of year — Statement 1	\$ 6,740
--	----------

(See accompanying notes)

Notes to the Financial Statements

March 31, 1989

1. Authority and Definition of Accounting Entity

The authority for this Revolving Fund is contained in Section 32.1 of the Revenue and Financial Services Act. The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of the Public Employees Benefits Agency (PEBA). These costs are allocated to the various plans and programs administered by PEBA in accordance with the policy described in note 2(d).

2. Accounting Policies

(a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- (i) Payments received within 30 days after the fiscal year end which pertain to the previous year are recorded as received in the previous year.
- (ii) Disbursements made within 30 days after the fiscal year end which were incurred prior to year end are recorded as paid in the previous year.

(b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the Revolving Fund.

(c) Accumulated Net Expenditure

The accumulated net expenditure of the fund includes the net cash expenditure (recovery) for each fiscal year.

(d) Revenue

The costs incurred in the administration of the various plans and programs by PEBA are billed to these plans and programs as follows:

- (i) Costs relating to a particular plan or program are allocated to that plan.
- (ii) All other costs are allocated to these plans and programs using a formula primarily based on time required to administer these plans and programs.

The above costs are billed to these plans and programs quarterly on the basis of payments made by the Revolving Fund or bills rendered by the Consolidated Fund for services provided on behalf of the Revolving Fund. However, at year end, unpaid expenditures and other accruals are recorded as accounts payable with corresponding amounts relating to unbilled revenue recorded as accounts receivable in the balance sheet.

Public Employees Benefits Agency Revolving Fund

(e) **Prepaid Computer Equipment Lease**

Computer equipment under capital lease from Saskatchewan Property Management Corporation has a capital cost paid in full by the Revolving Fund at the inception of the lease. This cost is amortized on a straight line basis over the useful life of the leased equipment. Future obligations under the lease are limited to annual lease administration fees. These fees will be accounted for as expenses in the year that they are paid.

3. **Authorized Financing**

Section 32.1(12) of the Revenue and Financial Services Act provides for the maximum of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. The maximum amount has been set at \$500,000.

4. **Disposition of Accumulated Operating Surplus or Deficit**

In accordance with subsection 32.1(12) of the Revenue and Financial Services Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the Public Employees Benefits Agency Revolving Fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the Revolving Fund shall be \$500,000. Treasury Board has also specified that if at the end of a fiscal year the accumulated surplus (deficit) exceeds the maximum, then any surplus (deficit) in excess of the maximum shall, as soon as possible after the close of the fiscal year, be paid to (from) the Consolidated Fund.

5. **Cost Incurred by the Consolidated Fund**

Included in revenue and expenses are costs amounting to \$270,988 incurred by the Consolidated Fund for services provided on behalf of the Revolving Fund. These costs are billed to the various plans and programs administered by PEBA in accordance with subsection 32.1(8) of the Revenue and Financial Services Act.

Amounts received by the Revolving Fund relating to these costs are paid to the Minister of Finance and credited to the Consolidated Fund in accordance with subsection 32.1(11).

6. **Related Party Transactions**

Except as elsewhere disclosed, in accordance with established government policy, the Revolving Fund has not been charged with certain costs including financing and certain administrative costs. These costs have been absorbed by various departmental appropriations and therefore, no provisions for such costs is reflected in these financial statements.

Public Employees' Benefits Agency Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Public Employees' Benefits Agency Revolving Fund as at March 31, 1990, and the statements of operations, financing activities and accumulated net expenditures for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 2 to the financial statements.

Regina, Saskatchewan
November 1, 1990

W. K. Strelloff, C.A.
Provincial Auditor

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Accounts receivable	\$ 100,179	\$ 110,408
Fixed assets (Note 4)	43,606	40,531
	<u>\$ 143,785</u>	<u>\$ 150,939</u>
Liabilities and Equity		
Liabilities:		
Accounts payable	\$ 146,435	\$ 144,199
Equity:		
Accumulated net (recovery) expenditure (Statement 3)	(2,650)	6,740
	<u>\$ 143,785</u>	<u>\$ 150,939</u>

(See accompanying notes)

Statement of Operations

For the Year Ended March 31

Statement 2

	1990	1989
Revenue:		
Administration fees	\$ 2,247,018	\$ 1,882,780
Expenses:		
Salary and benefits expense	987,195	1,009,843
Contractual services — professional and technical	935,846	536,560
Rent	131,213	134,333
Postage and communications	72,967	103,035
Supplies	48,314	42,893
Advertising/printing related expenses	24,023	26,224
Travel	24,736	25,241
Depreciation and amortization	16,257	80
Repairs and maintenance — furniture/equipment	5,726	3,972
Business entertainment expense	741	599
Total Expenses	<u>\$ 2,247,018</u>	<u>\$ 1,882,780</u>
Excess of Revenue over Expenses	<u>\$ —</u>	<u>\$ —</u>

(See accompanying notes)

Public Employees' Benefits Agency Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditures

Statement 3

For the Year Ended March 31

	1990	1989
Financing Requirements of the Revolving Fund		
Net capital acquisitions:		
Purchase of fixed assets	\$ 19,332	\$ 40,611
Working capital changes:		
(Decrease) increase in accounts receivable	(10,229)	110,408
(Increase) in accounts payable	(2,236)	(144,199)
	(12,465)	(33,791)
Less amount financed by operations:		
Excess of revenue over expenses	—	—
Items not requiring an outlay of funds		
— Depreciation and amortization	(16,257)	(80)
	(16,257)	(80)
Net cash (recovery) expenditure for the year	(9,390)	6,740
Accumulated net expenditure, beginning of the year	\$ 6,740	\$ —
Accumulated net (recovery) expenditure, end of the year — Statement 1	\$ (2,650)	\$ 6,740

(See accompanying notes)

Notes to the Financial Statements

March 31, 1990

1. Authority and Definition of Accounting Entity

The authority for this Revolving Fund is contained in Section 32.1 of The Revenue and Financial Services Act. The Revolving Fund was established to account for the administration costs of the Public Employees' Benefits Agency (PEBA). These costs are allocated to the various plans and programs administered by PEBA in accordance with the policy described in note 2(d).

2. Accounting Policies

(a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year end which pertain to the fiscal year are recorded as received in the year.
- ii) Disbursements made within 30 days after the fiscal year end which pertain to the fiscal year are recorded as paid in the year.

(b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to the financing of net capital acquisitions and working capital requirements of the Revolving Fund.

(c) Accumulated Net Expenditure (Recovery)

The accumulated net expenditure (recovery) of the Revolving Fund consists of the sum of the net cash expenditures (recoveries) of each fiscal year since inception.

(d) Revenue

The costs incurred in the administration of the various plans and programs by PEBA are billed on a quarterly basis to these plans and programs as follows:

- i) Costs relating to a particular plan or program are allocated to that plan.
- ii) All other costs are allocated to these plans and programs using a formula primarily based on time required to administer these plans and programs.

Public Employees' Benefits Agency Revolving Fund

(e) Fixed Assets

Individual fixed assets costing more than \$500 are capitalized. They are being depreciated on a straight-line basis over terms of two to three years.

Computer equipment under capital lease from Saskatchewan Property Management Corporation is amortized on a straight-line basis over the useful life of the leased equipment. Future obligations under the lease are limited to annual lease administration fees. These fees will be accounted for as expenses in the year that they are paid.

Leasehold improvements are amortized on a straight-line basis over the lease term for the related leased space.

3. Authorized Financing

Section 32.1(12) of The Revenue and Financial Services Act provides for the maximum of accumulated net expenditure which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. The maximum amount for accumulated net expenditure has been set at \$500,000.

4. Fixed Assets

	Cost		Accumulated Depreciation		Net Book Value	
	1990	1989	1990	1989	1990	1989
Leased Equipment	\$ 47,710	\$ 40,611	\$ 14,502	\$ 80	\$ 33,208	\$ 40,531
Leaseholds	12,233	—	1,835	—	10,398	—
	<u>\$ 59,943</u>	<u>\$ 40,611</u>	<u>\$ 16,337</u>	<u>\$ 80</u>	<u>\$ 43,606</u>	<u>\$ 40,531</u>

5. Related Party Transactions

Included in these financial statements are income amounts resulting from routine operating transactions conducted at prevailing market prices with various Crown-controlled agencies with which the Revolving Fund is related. Account balances resulting from these transactions are included in the balance sheet and are settled on normal trade terms.

Included in revenue and expenses are costs amounting to \$223,157 (1989 — \$270,988) incurred by the Consolidated Fund for services provided on behalf of the Revolving Fund. These costs are billed to the various plans and programs administered by PEBA in accordance with subsection 32.1(8) of The Revenue and Financial Services Act. Amounts received by the Revolving Fund relating to these costs are paid to the Minister of Finance and credited to the Consolidated Fund in accordance with subsection 32.1(11).

In accordance with established government policy, the Revolving Fund has not been charged with certain other costs including financing and administrative costs. These costs have been absorbed by various departmental appropriations and therefore, no provision for such costs is reflected in these financial statements.

Highways Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Highways Revolving Fund as at March 31, 1990 and the statements of operations and accumulated operating surplus and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
September 10, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As At March 31

Statement 1

	1990	1989
Assets		
Current:		
Accounts receivable (Note 5)	\$ 1,803,150	\$ 1,520,257
Custom work in progress	1,298,453	165,722
Inventories	3,153,431	3,201,958
	<u>6,255,034</u>	<u>4,887,937</u>
Fixed:		
Construction, maintenance and other equipment (Note 6)	36,524,100	36,063,987
	<u>\$ 42,779,134</u>	<u>\$ 40,951,924</u>
Liabilities and Fund Equity		
Liabilities:		
Accounts payable	\$ 410,456	\$ 191,233
Unearned revenue	346,826	160,716
	<u>757,282</u>	<u>351,949</u>
Fund Equity:		
Accumulated net expenditure (Statement 3)	42,010,766	40,854,376
Accumulated operating surplus/(deficit)	11,086	(254,401)
	<u>42,021,852</u>	<u>40,599,975</u>
	<u>\$ 42,779,134</u>	<u>\$ 40,951,924</u>

(See accompanying notes)

Highways Revolving Fund

Statement of Operations and Accumulated Operating Surplus

Year Ended March 31

Statement 2

	1990	1989
Revenue:		
Sales or gross revenue	\$ 28,783,724	\$ 27,472,876
Other revenue	57,232	149,506
Gain (loss) on sale of fixed assets	116,578	(25,690)
Total revenue	28,957,534	27,596,692
Expenses:		
Cost of sales	16,643,270	15,940,053
Other expenses	11,265,396	11,327,453
Total expenses	27,908,666	27,267,506
Segment margin (Note 8)	1,048,868	329,186
General expenses	1,383,381	1,273,409
Net income (loss) from operations	(334,513)	(944,223)
Subsidy from Consolidated Fund	600,000	.....
Net income (loss)	265,487	(944,223)
Accumulated operating surplus, (deficit) beginning of year	(254,401)	689,822
Accumulated operating surplus (deficit), end of year	\$ 11,086	\$ (254,401)

(See accompanying notes)

Statement of Financing Activities and Accumulated Net Expenditure

For the Year Ended March 31

Statement 3

	1990	1989
Financing requirements of the Revolving Fund		
Net capital acquisitions:		
Purchase of fixed assets	\$ 4,690,729	\$ 4,975,131
Proceeds received from sale of fixed assets	(803,319)	(1,590,833)
	3,887,410	3,384,298
Working capital changes:		
Increase (decrease) in accounts receivable	282,893	(207,948)
Increase (decrease) in inventories	(48,525)	128,223
(Increase) decrease in accounts payable	(219,223)	134,977
(Increase) decrease in unearned revenue	(186,110)	(131,922)
Increase (decrease) in custom work in progress	1,132,731	111,430
	961,766	34,760
Total financing requirements	4,849,176	3,419,058
Less:		
Amounts financed by operations:		
Net income (loss) from operations	(334,513)	(944,223)
Items not affecting working capital		
— depreciation	3,543,877	3,307,692
— (gain) loss on disposal of fixed assets	(116,578)	25,690
	3,092,786	2,389,159
Subsidy from Consolidated Fund	600,000	.....
	3,692,786	2,389,159
Net expenditure (recovery)	1,156,390	1,029,899
Accumulated net expenditure, beginning of year	40,854,376	39,824,477
Accumulated net expenditure, end of year — to Statement 1	\$ 42,010,766	\$ 40,854,376

(See accompanying notes)

Highways Revolving Fund

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting with the following modifications:

- (i) Payments received in the month of April pertaining to sales of the preceding fiscal year are recorded as received in the preceding fiscal year.
- (ii) Disbursements made in the month of April pertaining to goods and services received in the preceding fiscal year are recorded as paid in the preceding year.

(b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) is the cash flow from (to) the Consolidated Fund. It represents the total annual financing requirements (surpluses) resulting from net capital acquisitions, working capital changes and net cash flows from operations.

(c) Accumulated Net Expenditure

The accumulated net expenditure of the Fund includes the following:

- (i) amounts due to the Minister of Finance as at March 31, 1982 assumed by the Revolving Fund in respect of working capital advances;
- (ii) the net cash expenditure (recovery) for each fiscal year thereafter;
- (iii) the lower of net book value or fair market value of assets acquired (disposed of) at no charge from (to) another government agency.

(d) Disposition of Accumulated Operating Surplus or Deficit

In accordance with Subsection 14(4) of The Department of Highways and Transportation Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the Revolving Fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the Highways Revolving Fund shall be \$1,000,000. Treasury Board has also specified that if at the end of a fiscal year the accumulated surplus (deficit) exceeds the maximum, then any surplus (deficit) in excess of the maximum shall, as soon as possible after the close of the fiscal year, be paid to (from) the Consolidated Fund.

However, if any deficit is in fact a subsidy and not a deficit due to business fluctuations, it must be recovered from the Department's appropriation in the same year. The Department budgets for a subsidy to the Revolving Fund in the same year that the deficit is expected to occur.

(e) Inventories

Inventories are valued at the lower of original cost, as determined on a global moving average basis, and net realizable value.

(f) Construction and Maintenance Equipment

Construction and maintenance equipment, including expenditures which renovate or modify the equipment and result in a corresponding increase in the useful life of the equipment, are capitalized and recorded at cost.

(g) Computer Equipment Under Capital Lease

Computer equipment under capital lease from Saskatchewan Property Management Corporation has a capital cost paid in full by the Revolving Fund at the inception of the lease. This capital cost is amortized on a straight line basis at a rate of 25% per year. Future obligations under the lease are limited to annual maintenance and lease administration fees. These fees will be accounted for as expenses in the year that they are paid.

(h) Depreciation

(i) Construction and Maintenance Equipment

Construction and maintenance equipment is depreciated on a unit of use basis (hours or kms.). The depreciation rate per unit of use for each item is calculated to allocate the capital cost of that item, less residual value, over the life expectancy of the equipment.

(ii) Other Equipment

Salt storage bins are depreciated on a straight-line basis at a rate of 5% per year.

For all other equipment, depreciation is calculated as follows:

- Items costing \$1,000 or more are depreciated on the straight line basis at a rate of 10% per year.
- Items costing less than \$1,000 are depreciated at a flat rate of \$100 per year.

(iii) Saskatchewan Property Management Corporation Central Vehicle Agency Units

Major additions or modifications made to motor vehicle units leased from the Saskatchewan Property Management Corporation are treated as capital cost additions. Depreciation is calculated on the capital cost additions for a unit, on a straight-line basis over the remaining term of the lease for that unit.

Highways Revolving Fund

(i) Equipment Rental Rates

The rental rates charged by the Revolving Fund for use of its construction and maintenance equipment are calculated to return to the Revolving Fund by way of rentals, sufficient funds to recover the following Revolving Fund costs:

- (i) depreciation
- (ii) repair and overhaul costs
- (iii) operating costs of fuel and oil
- (iv) administration costs of the stores and repair depots and Revolving Fund office together with license registration and insurance fees.

Each of the foregoing components of the rental rate is reviewed annually, revised as required, and approved by the Minister of Highways and Transportation.

(j) Construction Revenue

The Revolving Fund uses the completed contract method to recognize construction revenue on custom and other work whereby revenues are recognized as projects are completed. Amounts received before projects are completed are reflected as unearned revenue.

(k) Custom Work in Progress

Custom work in progress represents the actual cost of work performed on projects that are not completed. These costs will be recorded as expenditures when the corresponding revenues are recognized.

2. Authority and Definition of Reporting Entity

The authority for this Revolving Fund was originally contained in Section 21 of The Highways Act and is continued under Section 14 of The Department of Highways and Transportation Act.

The purpose of the Revolving Fund is to provide equipment, materials and labour for certain departmental programs and for custom work projects to permit the equitable distribution of the cost of such services.

3. Authorized Financing

Subsection 14(10) of The Department of Highways and Transportation Act provides for a maximum amount of accumulated net expenditure which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. A maximum amount of \$80,000,000 was established by Order-in-Council in April 1983.

4. Surcharges

Surcharges levied by the Revolving Fund pursuant to its governing act are required by Treasury Board to be returned to the Consolidated Fund. Accordingly, any such surcharges are recorded as a liability when invoiced.

5. Accounts Receivable

Accounts receivable include \$324,389 (1989 — \$654,618) receivable from the Department of Highways and Transportation.

6. Construction, Maintenance and Other Equipment

Details of this equipment are as follows:

	1990			1989
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Equipment in service:				
Construction and maintenance equipment	\$ 76,072,630	\$ 40,003,890	\$ 36,068,740	\$ 35,623,538
Repair shop equipment	1,419,819	1,212,228	207,591	222,810
Office equipment	65,483	25,703	39,780	17,346
Computer equipment — leased	258,062	50,073	207,989	200,293
Total	<u>\$ 77,815,994</u>	<u>\$ 41,291,894</u>	<u>\$ 36,524,100</u>	<u>\$ 36,063,987</u>

Depreciation has been provided for in the amount of \$3,543,877 in the current year (1989 — \$3,307,692).

7. Related Party Transactions

In accordance with established government policy, the Revolving Fund has not been charged with certain costs including occupancy, financing, field service and certain administrative costs. These costs have been absorbed by various departmental appropriations and therefore, no provision for such costs is reflected in these financial statements. Where surcharges are assessed to recover such costs, they are accounted for in accordance with the accounting policy described in note 4.

Highways Revolving Fund

8. Segmented Information

	1990				1989	
	Stores and Repair Depot	Equipment Rental	Custom and Other Work	Elimination of Inter- Segment Transactions	Total	Total
Revenue:						
Sales or gross						
revenue	\$ 13,772,466	\$ 20,151,942	\$ 4,217,375	\$ 9,358,059	\$ 28,783,724	\$ 27,472,876
Other revenue	57,232	.....	.....	.....	57,232	149,506
Gain (loss) on sale						
of fixed assets ....	.....	116,578	.....	.....	116,578	(25,690)
Total revenue	13,829,698	20,268,520	4,217,375	9,358,059	28,957,534	27,596,692
Expenses:						
Cost of sales	13,772,467	.....	3,735,590	864,787	16,643,270	15,940,053
Other operating						
expenses	3,007,579	16,744,199	6,890	8,493,272	11,265,396	11,327,453
Total operating						
expenses	16,780,046	16,744,199	3,742,480	9,358,059	27,908,666	27,267,506
Segment margin	\$ (2,950,348)	\$ 3,524,321	\$ 474,895	\$	\$ 1,048,868	\$ 329,186

A substantial portion of the sales of the Stores and Repair Depots represents internal charges to the Equipment Rental Operation for the repair of rental equipment. These charges are reflected as direct expenses of the Equipment Rental Operation and have been eliminated in the statement of operations and accumulated operating surplus. Other eliminations have also been made with respect to internal sales of materials and internal rental charges.

Correctional Facilities Industries Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Correctional Facilities Industries Revolving Fund as at March 31, 1990 and the statements of operations and accumulated operating surplus and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

Regina, Saskatchewan,
December 17, 1990.

W. K. Strelloff, C.A.,
Provincial Auditor.

Balance Sheet

As at March 31, 1990

Statement 1

Assets

Current assets:

Accounts receivable	\$	177,227
Inventory		78,332
Total current assets		255,559

Fixed assets (Note 5)		126,990
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Total Assets	\$	382,549
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Liabilities and Fund Equity

Current liabilities:

Accounts payable	\$	60,958
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Fund equity:

Accumulated net expenditure (Statement 3)		314,712
Accumulated operating surplus (Statement 2)		6,879

Total fund equity		321,591
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Total liabilities and fund equity	\$	382,549
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(See accompanying notes to the financial statements)

Statement of Operations and Accumulated Operating Surplus

For the Year Ended March 31, 1990

Statement 2

Sales	\$	407,276
Cost of goods sold (Note 8)		337,175
Gross profit		70,101

Operating expenses:

Salaries		51,596
Office supplies		2,485
Repairs and maintenance		1,697
Supplies		1,566
Sundry		2,026
Travel		2,791
Warranty		34
Depreciation		1,027
		63,222

Net income from operations and accumulated operating surplus (Statement 1)	\$	6,879
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(See accompanying notes to the financial statements)

Correctional Facilities Industries Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditure

Statement 3

For the Year Ended March 31, 1990

Financing requirements of the Revolving Fund:

Net capital acquisitions:	
Purchase of fixed assets	\$ 40,482
Working capital changes:	
Increase in accounts receivable	177,227
Increase in inventories	78,332
Increase in accounts payable	(60,958)
	194,601
	235,083
Less amount financed by operations:	
Net income	6,879
Items not requiring an outlay of funds:	
Depreciation	5,758
Small tools written off (Note 7)	11,143
	23,780
Net cash expenditure	211,303
Assets transferred to the Revolving Fund at no cost during the period (Note 7)	103,409
Accumulated net expenditure, end of period (Statement 1)	\$ 314,712

(See accompanying notes to the financial statements)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- ii) Disbursements made within 30 days after the fiscal year-end which were incurred prior to year-end are recorded as paid in the previous year.

b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the revolving fund.

c) Accumulated Net Expenditure

The accumulated net expenditure of the fund includes the following:

- i) Net cash expenditure (recovery) for the fiscal period
- ii) The lower of net book value or fair market value of assets acquired at no charge from another government agency.

d) Inventories

Inventories are valued at the lower at cost and net realizable value.

e) Fixed Assets and Depreciation

Fixed assets are recorded at cost. The cost and related accumulated depreciation of items retired or disposed of are removed from the records and any gains or losses are included in the income statement.

Depreciation is provided on a straight line basis at an annual rate of 10% for equipment and roadway improvements and on a diminishing balance basis at an annual rate of 30% for tools.

2. Authority and Definition of Entity

The Authority for this revolving fund is contained in section 14.1 of The Department of Justice Act. The purpose of the revolving fund is to operate work programs intended to reduce the costs of operating, maintaining and repairing correctional facilities as well as improving inmate work productivity.

The revolving fund was established April 1, 1989 but commenced active operations in October, 1989.

Correctional Facilities Industries Revolving Fund

3. Authorized Financing

Subsection 14.1 (11) of The Department of Justice Act provides for a maximum amount of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. The maximum amount has been set at \$900,000.

4. Disposition of Accumulated Operating Surplus or Deficit

In accordance with subsection 14.1 (5) of The Department of Justice Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the revolving fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the revolving fund shall be \$100,000. Treasury Board has also specified that if at the end of a fiscal year the accumulated surplus (deficit) exceeds the maximum, then any surplus (deficit) in excess of the maximum shall, as soon as possible after the close of the fiscal year, be paid into (from) the Consolidated Fund.

5. Fixed Assets (Note 7)

	1989 - 1990		
	Acquisition Value	Accumulated Depreciation	Net Book Value
Equipment	\$ 86,244	\$ 2,266	\$ 83,978
Tools	22,078	2,399	19,679
Roadway improvements	24,426	1,093	23,333
	<u>\$ 132,748</u>	<u>\$ 5,758</u>	<u>\$ 126,990</u>

6. Costs Borne By Other Agencies

In accordance with established government policy, the revolving fund has not been charged with certain costs including occupancy, financing and certain administrative costs. These costs have been absorbed by various departmental appropriations and therefore no provision for such costs is reflected in these financial statements.

7. Transfer of Equipment

The Department of Justice transferred equipment valued at \$92,266 and small tools valued at \$11,143 to the Revolving Fund at no cost.

8. Cost of Goods Sold

Cost of goods sold consists of the following:

Materials and supplies	\$ 250,928
Labour	64,827
Small tools	16,689
Depreciation	4,731
	<u>\$ 337,175</u>

Queen's Printer Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Queen's Printer Revolving Fund as at March 31, 1990 and the statements of operations and accumulated operating surplus and financing activities and accumulated net expenditure for the period from September 1, 1989, date of establishment, to March 31, 1990. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the period September 1, 1989, date of establishment, to March 31, 1990 in accordance with the accounting principles disclosed in Note 1 to the financial statements.

Regina, Saskatchewan,
September 13, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31, 1990

Statement 1

Assets

Current:

Accounts receivable	\$ 26,891
Inventories	23,065
Total current assets	49,956
Fixed assets (Note 5)	2,778
Total Assets	<u>\$ 52,734</u>

Liabilities and Fund Equity

Current Liabilities:

Accounts payable	\$ 1,061
Unearned revenue	44,007
Total current liabilities	<u>45,068</u>

Fund Equity:

Accumulated net expenditure (recovery) (Statement 3)	(7,857)
Accumulated operating surplus (Statement 2)	15,523
Total Fund Equity	<u>7,666</u>
Total Liabilities and Fund Equity	<u>\$ 52,734</u>

(See accompanying notes to the financial statements)

Statement of Operations and Accumulated Operating Surplus

For the Period September 1, 1989, Date of Establishment, to March 31, 1990

Statement 2

Sales revenue	\$ 343,769
Cost of goods sold	253,901
Gross profit	<u>89,868</u>
Expenses:	
Salaries	35,235
Supplies	9,477
Building rent	8,957
Equipment rent	16,614
Other	4,062
Total expenses	<u>74,345</u>
Net income and accumulated operating surplus (Statement 1)	<u>\$ 15,523</u>

(See accompanying notes to the financial statements)

Queen's Printer Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditures

Statement 3

For the Period September 1, 1989, Date of Establishment, to March 31, 1990

Financing requirements of the Revolving Fund:

Working capital changes:	
Increase in accounts receivable	\$ 26,891
Increase in inventories	23,065
Increase in accounts payable	(1,061)
Increase in unearned revenue	(44,007)
	<hr/> 4,888
Less amount financed by operations:	
Net income	15,523
Items not requiring an outlay of funds:	
Depreciation	172
	<hr/> 15,695
Net cash expenditure (recovery)	<hr/> (10,807)
Assets transferred to the Revolving Fund at no cost during the period (Note 7)	2,950
Accumulated net expenditure (recovery), end of the period (Statement 1)	<hr/> \$ (7,857)

(See accompanying notes to the financial statements)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- ii) Disbursements made within 30 days after the fiscal year-end which were incurred prior to year-end are recorded as paid in the previous year.

b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the revolving fund.

c) Accumulated Net Expenditure (Recovery)

The accumulated net expenditure (recovery) of the fund includes the following:

- i) Net cash recovery for the fiscal period.
- ii) The lower of net book value or fair market value of assets acquired at no charge from another government agency.

d) Inventory Valuation

Inventories are valued at the lower cost or net realizable value. Inventories consist of unsold Gazettes, books and loose-leaf releases.

e) Depreciation

Depreciation is provided on equipment on a straight line basis at an annual rate of 10% of acquisition value.

f) Unearned Revenue

Subscriptions to The Saskatchewan Gazette are considered unearned revenue for those months that the subscription extends beyond the fiscal year.

2. Authority and Definition of Entity

The authority for this revolving fund is contained in Section 9.1 of The Queen's Printer Act. The purpose of the revolving fund is to provide a mechanism for the printing, publishing and distributing to the public of government documents and publications.

Queen's Printer Revolving Fund

3. Authorized Financing

Subsection 9.1(10) of The Queen's Printer Act provides for a maximum amount of accumulated net expenditures which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. The maximum amount has been set at \$150,000 by Order-in-Council 667/89.

4. Disposition of Accumulated Operating Surplus or Deficit

In accordance with subsection 9.1(4) of The Queen's Printer Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the revolving fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the revolving fund shall be \$50,000.

5. Fixed Assets (Note 7)

	1989		
	Acquisition Value	Accumulated Depreciation	Net Book Value
Equipment	\$ 2,950	\$ 172	\$ 2,778

6. Costs Borne By Other Agencies

In accordance with established government policy, the revolving fund has not been charged with certain occupancy, financing and administrative costs. These costs have been absorbed by various departmental appropriations and therefore no provision for such costs is reflected in these financial statements.

7. Transfer of Equipment

On September 1, 1989, Saskatchewan Property Management Corporation transferred equipment valued at \$2,950 to the Revolving Fund at no cost.

8. Related Parties

Related parties to the Fund are Saskatchewan Crown controlled departments, agencies and corporations. Transactions with these parties are recorded at normal market prices except as described herein.

Department of Parks and Renewable Resources Commercial Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Commercial Revolving Fund as at March 31, 1990 and the statements of operations and accumulated operating deficit and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
August 22, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	\$ 5	\$ 8,224
Deposits with Minister of Finance	14,330	11,498
Accounts receivable (Note 7)	471,908	268,833
Inventories	199,584	192,816
Total current assets	685,827	481,371
Fixed assets (Note 2)	1,702,796	1,612,558
Total Assets	<u>\$ 2,388,623</u>	<u>\$ 2,093,929</u>
Liabilities and Fund Equity		
Current Liabilities:		
Accounts payable	\$ 232,974	\$ 79,732
Accrued wages payable	41,266	103,506
Deposits for room reservations	14,330	11,498
Total current liabilities	<u>288,570</u>	<u>194,736</u>
Fund Equity:		
Accumulated net expenditure (Statement 3)	6,576,019	5,906,855
Accumulated operating deficit (Statement 2)	(4,475,966)	(4,007,662)
Total Fund Equity	<u>2,100,053</u>	<u>1,899,193</u>
Total Liabilities and Fund Equity	<u>\$ 2,388,623</u>	<u>\$ 2,093,929</u>

(See accompanying notes to the financial statements)

Department of Parks and Renewable Resources Commercial Revolving Fund

Statement of Operations and Accumulated Operating Deficit

Statement 2

Year Ended March 31

	1990	1989
Sales: Dining/Restaurant/Store	\$ 580,080	\$ 684,413
Cost of goods sold	221,551	283,492
Gross profit	358,529	400,921
Other Revenue:		
Campground	1,865,541	1,930,026
Park entry	974,861	1,029,971
Accommodation	593,445	579,247
Revenue from other agencies (Note 3)	1,250,000	1,250,000
Cottage lots/permits	805,437	810,377
Golf fees	198,851	383,731
Commercial leases	362,680	389,013
Hall rental	104,525	102,370
Surface leases	124,590	91,155
Swim (lessons and pool fee)	157,710	166,582
Hay and grazing fees	104,875	90,610
Miscellaneous revenue	144,789	156,006
Gain on disposal of fixed assets	23,754	14,024
Total revenue	7,069,587	7,394,033
Expenses:		
Wages	7,827,185	7,562,578
Material, supplies and freight	662,921	699,996
Travel and sustenance	111,721	76,138
Vehicle rental (CVA)	679,665	659,125
Utilities	615,585	618,246
Repairs and maintenance	562,705	516,554
Equipment rental	312,631	373,854
Depreciation	395,428	361,618
Publicity and advertising	415,710	100,772
Postage and communications	166,469	138,143
Miscellaneous expenses	203,571	176,750
Total expenses	11,953,591	11,283,774
Net loss	4,884,004	3,889,741
Accumulated operating deficit, beginning of year	4,007,662	3,750,321
Subsidy from Consolidated Fund	(4,415,700)	(3,632,400)
Accumulated operating deficit, end of year — (Statement 1)	\$ 4,475,966	\$ 4,007,662

(See accompanying notes to the financial statements)

Department of Parks and Renewable Resources Commercial Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditure

Statement 3

Year Ended March 31

	1990	1989
Financing Requirements of (recovery by) the Revolving Fund:		
Net capital acquisitions:		
Purchase of fixed assets	\$ 505,898	\$ 533,939
Proceeds from sale of fixed assets	(43,986)	(28,339)
	<u>461,912</u>	<u>505,600</u>
Working capital changes:		
Decrease in cash	(8,219)	(9,072)
Increase in accounts receivable	203,075	130,251
Increase (decrease) in deposit with Minister of Finance	2,832	(1,846)
Increase (decrease) in inventories	6,768	(3,218)
Increase in accounts payable	(153,242)	(50,717)
Decrease (increase) in accrued wages payable	62,240	(79,097)
(Increase) decrease in deposits for room reservations	(2,832)	1,846
	<u>110,622</u>	<u>(11,853)</u>
Recovery of prior year's losses from the Consolidated Fund	(4,415,700)	(3,632,400)
Less amount required to finance operations:		
Loss from operations	4,884,004	3,889,741
Items not involving an outflow of funds:		
Provision for depreciation	(395,428)	(361,618)
Gain on disposal of fixed assets	23,754	14,024
	<u>4,512,330</u>	<u>3,542,147</u>
Net cash expenditure	669,164	403,494
Accumulated net expenditure, beginning of year	5,906,855	5,503,361
Accumulated net expenditure, end of year (Statement 1)	<u>\$ 6,576,019</u>	<u>\$ 5,906,855</u>

(See accompanying notes to the financial statements)

Notes to the Financial Statements

Year Ended March 31, 1990

1. Accounting Policies

a) Authority and Definition of Reporting Entity

The authority for this revolving fund is Section 14 of The Renewable Resources, Recreation and Culture Act. The purpose of the revolving fund is to finance and provide a system of accounting for the commercial operation of government owned and operated facilities required to promote and develop the use and enjoyment of parks and renewable resources in the province.

b) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- i) Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- ii) Disbursements made within 30 days after the fiscal year-end which were incurred prior to year-end are recorded as paid in the previous year.

c) Net Cash Expenditure

The net cash expenditure for a fiscal year is the total cash outflow from the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of operating deficits of the revolving fund.

d) Accumulated Net Expenditure

The accumulated net expenditure of the fund includes the following:

- i) Amounts due to the Minister of Finance as at March 31, 1982, and assumed by the revolving fund in respect of working capital advances.
- ii) Net cash expenditure (recovery) for each fiscal year thereafter.
- iii) The transfer amount of assets acquired at no extra charge.

Department of Parks and Renewable Resources Commercial Revolving Fund

e) **Authorized Financing**

Section 14(10) of The Renewable Resources, Recreation and Culture Act provides for a maximum amount of accumulated net expenditure which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. A maximum amount of \$8,000,000 was established by Order-in-Council 376/89.

f) **Disposition of Accumulated Operating Surplus or Deficit**

In accordance with Section 14(4) of The Renewable Resources, Recreation and Culture Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the Revolving Fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the Commercial Revolving Fund shall be \$4,500,000. Treasury Board has also specified that if at the end of a fiscal year the accumulated surplus (deficit) exceeds the maximum, then any surplus (deficit) in excess of the maximum shall, as soon as possible after the close of the fiscal year, be paid into (from) the Consolidated Fund.

g) **Inventories**

Inventories consist primarily of maps, books, and photographs held for resale at the regional, district and park offices. Inventories are valued at the lower of cost or net realizable value. Items such as gas, oil and grease, repair and maintenance supplies and firewood are not included in inventories in the financial statements but are expensed when purchased.

h) **Fixed Assets and Depreciation**

Fixed assets are recorded at cost. The cost and related accumulated depreciation of items retired or disposed of are removed from the records and any gains or losses are included in the income statement. Depreciation is calculated on the straight line basis with the annual rates being 15% for equipment and 10% for furnishings.

2. **Fixed Assets**

	1990		1989	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Equipment	\$ 4,381,319	\$ 2,847,012	\$ 1,534,307	\$ 1,476,500
Furniture and fixtures	319,586	151,097	168,489	136,058
	\$ 4,700,905	\$ 2,998,109	\$ 1,702,796	\$ 1,612,558

3. **Revenue from Other Agencies**

\$1,250,000 was received from the Public Service Commission to fund the operation of the Summer Student Work Program (1989 — \$1,250,000).

4. **Segmented Information**

The revolving fund's total sales \$580,080 (1989 — \$684,413), gross profit \$358,529 (1989 — \$400,921) and net loss of \$4,884,004 (1989 — loss \$3,889,741) are comprised of the following:

	Echo Valley Centre		Parks Operations	
	1990	1989	1990	1989
Sales	\$ 455,081	\$ 513,713	\$ 124,999	\$ 170,700
Cost of Sales	134,123	150,558	87,428	132,934
Gross Profit	320,958	363,155	37,571	37,766
Other Revenue	460,915	493,785	6,250,143	6,499,327
	781,873	856,940	6,287,714	6,537,093
Expenses	1,179,026	1,160,400	10,774,565	10,123,374
Net loss	\$ (397,153)	\$ (303,460)	\$ (4,486,851)	\$ (3,586,281)

5. **Costs Borne by Other Agencies**

In accordance with established government policy, the revolving fund has not been charged with certain costs including occupancy, financing and certain administrative costs. These costs have been absorbed by various departmental appropriations and therefore no provision for such costs is reflected in these financial statements.

6. **Related Party Transactions**

Related parties to the Fund are Saskatchewan Crown controlled departments, agencies and corporations. Transactions with these parties are recorded at normal market prices except as described herein.

7. **Accounts Receivable**

Accounts receivable includes \$276,556 due from The Saskatchewan Arts Board, a related party. An arrangement has been made to receive payment of this amount over a three year period ending March 31, 1993.

8. **Comparative Figures**

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

Resource Protection and Development Revolving Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Resource Protection and Development Revolving Fund as at March 31, 1990, and the statements of operations and accumulated operating surplus and financing activities and accumulated net expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Revolving Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
November 9, 1990.

W. K. Strelloff, C.A.,
Provincial Auditor.

Statement of Financial Position

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Petty cash	\$ 50	\$ 50
Accounts receivable (Note 8)	5,053,449	2,983,662
Inventory	1,410,306	1,409,184
Prepaid expenses	124,338	109,453
	<u>6,588,143</u>	<u>4,502,349</u>
Non Current:		
Equipment (Note 6)	2,379,145	2,348,519
Land development	17,144	16,219
	<u>2,396,289</u>	<u>2,364,738</u>
	<u>\$ 8,984,432</u>	<u>\$ 6,867,087</u>
Liabilities and Equity		
Current liabilities:		
Accounts payable (Note 8)	\$ 263,134	\$ 279,497
Equity:		
Accumulated operating deficit (Statement 2)	(189,585)	(184,795)
Accumulated net expenditure (Statement 3)	8,910,883	6,772,385
	<u>8,721,298</u>	<u>6,587,590</u>
	<u>\$ 8,984,432</u>	<u>\$ 6,867,087</u>

(See accompanying notes)

Resource Protection and Development Revolving Fund

Statement of Operations and Accumulated Operating Surplus

Statement 2

Year Ended March 31

	1990	1989
Revenue:		
Equipment rental and recoveries	\$ 743,414	\$ 623,582
Expenditures billed to Government Agencies:		
Department of Parks, Recreation and Culture for fire suppression	39,606,184	31,359,313
Other agencies		
— Capital projects	4,168,543	4,408,186
— Fish enhancement	254,164	250,665
— Forestry	5,163,173	4,935,905
— Service provided to Northern Revenue Sharing Trust Account regarding collection of leases	310,673	292,354
Fire suppression expenditures recovered from other sources	3,301,751	444,726
Radio communications	1,166,637	1,110,735
Cottage lot leases	1,700	17,924
	<u>54,716,239</u>	<u>43,443,390</u>
Expenses:		
Rental of equipment, building and aircraft	20,200,455	16,136,632
Labour, travel and sustenance	20,452,619	14,151,935
Repair and overhaul of equipment	696,023	607,847
Fuel, materials and supplies	4,151,911	3,730,939
Depreciation	345,711	344,023
Miscellaneous operating	3,911,070	2,966,498
Land development	450	9,558
General and administrative	363,919	358,303
Contractual services	4,598,871	5,190,387
	<u>54,721,029</u>	<u>43,496,122</u>
Current year operating deficit	(4,790)	(52,732)
Accumulated deficit, beginning of year	(184,795)	(132,063)
Accumulated (deficit), end of year (Statement 1)	<u>\$ (189,585)</u>	<u>\$ (184,795)</u>

(See accompanying notes)

Resource Protection and Development Revolving Fund

Statement of Financing Activities and Accumulated Net Expenditure

Statement 3

Year Ended March 31

	1990	1989
Financing Requirements of the Revolving Fund		
Net capital acquisitions:		
Purchase of equipment	\$ 441,210	\$ 441,451
Less proceeds from sale of equipment	(71,265)	(58,898)
Land development	925	(9,558)
	<u>370,870</u>	<u>372,995</u>
Working capital changes:		
Increase (decrease) in accounts receivable	2,069,787	(1,168,780)
Increase in inventories	1,122	379,899
Increase in prepaid expenses	14,885	6,808
Decrease in accounts payable	16,363	87,390
	<u>2,102,157</u>	<u>(694,683)</u>
Total Financing Requirements	<u>2,473,027</u>	<u>(321,688)</u>
Less amount financed by operations:		
Net loss	(4,790)	(52,732)
Items not requiring an outlay (generating an inflow) of funds:		
— Depreciation	345,711	344,023
— (Gain)/Loss on disposal of equipment	(6,392)	66,475
	<u>334,529</u>	<u>357,766</u>
Net cash expenditure (recovery)	<u>2,138,498</u>	<u>(679,454)</u>
Accumulated net expenditure, beginning of year	<u>6,772,385</u>	<u>7,451,839</u>
Accumulated net expenditure, end of year (Statement 1)	<u>\$ 8,910,883</u>	<u>\$ 6,772,385</u>

(See accompanying notes)

Notes to Financial Statements

March 31, 1990

1. Significant Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting with the following modifications:

- Payments received within 30 days after the fiscal year-end which pertain to the previous year are recorded as received in the previous year.
- Disbursements made within 30 days after the fiscal year-end pertaining to goods and services received in the preceding fiscal year are recorded as paid in the preceding fiscal year.

b) Net Cash Expenditure (Recovery)

The net cash expenditure (recovery) for a fiscal year is the total cash outflow (inflow) from (to) the Consolidated Fund related to the financing of net capital acquisitions, working capital requirements and the financing of (provided by) operating deficits (surpluses) of the Revolving Fund.

c) Accumulated Net Expenditure

The accumulated net expenditure of the Fund includes the following:

- amounts due to the Minister of Finance as at March 31, 1982, and assumed by the Revolving Fund in respect of working capital advances. These advances were subsequently written off by Treasury Board Order concurrent with a change in Consolidated Fund accounting policy which treats the financing of revolving fund activities as budgetary transactions;
- the lower of net book value or fair market value of assets acquired (disposed of) at no charge from (to) another government agency;
- the net cash expenditure (recovery) for each fiscal year thereafter.

d) Inventory

Inventory of materials and supplies is valued at the lower of cost or replacement cost.

e) Land Development

The recreational subdivision program develops recreational lots for lease to the public. The asset value reflects costs to March 31, 1990 incurred on lot development less amounts written off in respect of lots not expected to be leased. The remaining development costs are expected to be recovered when the subdivisions are leased.

Resource Protection and Development Revolving Fund

f) Depreciation

Construction equipment is depreciated on a unit of use basis (hours, months or miles). The depreciation rate per unit of use for each item is calculated to recover the capital cost of that item, less residual value, over the life expectancy of the equipment.

Depreciation of radio communications equipment is calculated on a straight-line basis with the current annual rate being 8.34% of cost.

Depreciation on garage, shop and office equipment is calculated on the straight-line basis with the current annual rate being 10% of cost.

2. Authority and Definition of Entity

The authority for this Revolving Fund was originally established under Section 11 of The Department of Tourism and Renewable Resources Act, and as of May 16, 1983, continues under Section 13 of The Renewable Resources, Recreation and Culture Act.

The purpose of the Revolving Fund is to provide a system of accounting for the provision of labour, machinery, equipment, materials, supplies, and technical, supervisory and administrative services that are required for the construction, maintenance, repair, alteration, extension or improvement of buildings, structures, recreation facilities, roads, dams, bridges, ditches, fireguards or other works of similar nature; and for the provision of a radio communications service which includes the establishment, construction, maintenance and operation of radio communications networks; and for the acquisition and development of recreation sites.

3. Authorized Financing

Subsection 13(10) of The Renewable Resources, Recreation and Culture Act provides for a maximum amount of accumulated net expenditure which may at any time be outstanding to be set by order of the Lieutenant Governor in Council. The maximum amount has been set at \$30,000,000 by authority of Order-in-Council 686/89.

4. Disposition of Accumulated Operating Surplus or Deficit

In accordance with Subsection 13(4) of The Renewable Resources, Recreation and Culture Act, the Minister shall pay to the Consolidated Fund all or any part of any surplus in the Revolving Fund that Treasury Board may direct. Treasury Board has specified that the maximum accumulated surplus/deficit for the Revolving Fund shall be \$200,000. Treasury Board has also specified that if at the end of a fiscal year the accumulated surplus/deficit exceeds the maximum, then any surplus/deficit in excess of the maximum shall, as soon as possible after the close of the fiscal year be paid into/from the Consolidated Fund.

5. Segmented Information

	Equipment Rental	Fire Suppression	Capital Projects	Radio Comm.	Forestry	Other	Total
Revenue	\$ 743,414	\$ 42,907,935	\$ 4,168,543	\$ 1,166,637	\$ 5,163,173	\$ 566,538	\$ 54,716,240
Expenses	734,641	42,907,935	4,168,543	1,181,450	5,163,173	565,288	54,721,030
Current Year Operating Surplus/(Deficit)	\$ 8,773	\$ —	\$ —	\$ (14,813)	\$ —	\$ 1,250	\$ (4,790)
1989 Operating Surplus/(Deficit)	\$ (65,208)	\$ —	\$ —	\$ (1,892)	\$ —	\$ 14,368	\$ (52,732)
Identifiable Assets	\$ 1,591,178	\$ 4,190,217	\$ 1,690,551	\$ 1,336,183	\$ 27,849	\$ 148,456	\$ 8,984,434

6. Equipment

	1990		1989	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Equipment rental	\$ 3,081,102	\$ 1,645,098	\$ 1,436,004	\$ 1,410,631
Radio communications	2,104,780	1,161,639	943,141	937,888
	\$ 5,185,882	\$ 2,806,737	\$ 2,379,145	\$ 2,348,519

7. Cost Recovery Programs

Fire Suppression Program

The Revolving Fund charges the Department of Parks, Recreation and Culture for all costs incurred for forest fire suppression (less amounts billed to others). As a result, the Revolving Fund has a zero current year operating surplus in the fire suppression segment of operations.

Resource Protection and Development Revolving Fund

Capital Projects Program

The Revolving Fund charges the Saskatchewan Property Management Corporation and the Department of Parks, Recreation and Culture for all costs incurred for parks and renewable resources capital projects. As a result, the Revolving Fund has a zero current operating surplus in the capital projects segment of operations.

Fish Enhancement Program and Forestry Program

Costs incurred by the Revolving Fund for these programs are billed to other government agencies, resulting in no surplus or deficit to the Revolving Fund.

8. Related Party Transactions

In accordance with established government practice, the Revolving Fund has not been charged with certain occupancy, financing, administrative and certain other costs. These costs have been absorbed by various departmental appropriations and, therefore, no provision for such costs is reflected in these financial statements.

Included in accounts receivable is a balance owing from provincial government departments or agencies of \$2,027,811 (1989 — \$2,532,587). Included in accounts payable is a balance owing to provincial government departments or agencies of \$258,465 (1989 — \$270,659).

Substantially all revenue, other than fire suppression expenditures recovered from other sources, arises from billings rendered to government departments, agencies and crown corporations.

9. Comparative Financial Information

Certain 1989 balances have been reclassified to conform with the current year's presentation.

Other Financial Statements

Cattle Marketing Deductions Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Cattle Marketing Deductions Fund for the year ended March 31, 1990 and the statement of revenue and expenditure and operating surplus for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy as explained in Note 1 to the financial statements, on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
July 13, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	\$ 79,193	\$ 131,222
Marketable securities, at cost which approximates market	995,000	1,011,058
Accounts receivable	206,733	255,450
	<u>\$ 1,280,926</u>	<u>\$ 1,397,730</u>
Liabilities and Operating Surplus		
Current Liabilities:		
Accounts payable	\$ 7,285	\$ 7,500
Operating surplus — statement 2	1,273,641	1,390,230
	<u>\$ 1,280,926</u>	<u>\$ 1,397,730</u>

Commitments (Note 3)

(See accompanying notes to the financial statements)

Statement of Revenue and Expenditure and Operating Surplus

Year ended March 31

Statement 2

	1990	1989
Revenue:		
Deductions under sections 3 and 4 of The Cattle Marketing Deductions Act and Regulations	\$ 1,106,971	\$ 1,114,779
Less Commissions	32,814	33,055
	<u>1,074,157</u>	<u>1,081,724</u>
Bank and investment interest	121,313	85,392
Total revenue	<u>\$ 1,195,470</u>	<u>\$ 1,167,116</u>
Expenditures:		
Grants (Schedule 1)	1,284,250	741,256
Advisory Committee expenses	3,866	2,889
Refund of deductions	23,943	21,295
Total expenditures	<u>1,312,059</u>	<u>765,440</u>
Excess of (expenditure over revenue) revenue over expenditure	(116,589)	401,676
Operating surplus, beginning of year (as restated — Note 1)	1,390,230	988,554
Operating surplus, end of year	<u>\$ 1,273,641</u>	<u>\$ 1,390,230</u>

(See accompanying notes to the financial statements)

Cattle Marketing Deductions Fund

Notes to the Financial Statements

March 31, 1990

1. Accounting Policy

- a) Effective April 1, 1989, the Fund changed its basis of accounting from the cash basis to the accrual basis. Previously revenue from deductions under the Cattle Marketing Voluntary Deductions Act was recognized in the accounts as cash was received, and expenditures were recognized when cash was paid. Revenue is now recognized in the accounts as it is earned and accrues to the Fund; expenses are recognized as incurred by the Fund.

The change in accounting policy has been applied retroactively in these financial statements. The effect is to decrease 1990 revenue by \$48,502, to increase 1989 revenue by \$65,092 and to increase prior periods by \$182,858.

- b) The Fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

2. Legislative Authority

- a) Pursuant to the provisions of The Cattle Marketing Voluntary Deductions Amendment Act, 1983 proclaimed into force August 29, 1983, the Cattle Marketing Voluntary Deductions Act Trust Fund was continued as the Cattle Marketing Deductions Fund and the assets and liabilities of the Cattle Marketing Voluntary Deductions Act Trust Fund were deemed to be the assets and liabilities of the Fund.

- b) The Fund is administered by an Advisory Committee established under the Act who authorize all expenditures from the Fund subject to the approval of the Minister of Agriculture and Food.

3. Commitments

At March 31, 1990, the Fund approved grants totalling \$887,571 for payment in the year ended March 31, 1991 and \$195,000 for payment in the year ended March 31, 1992.

Schedule of Grants

Year Ended March 31

Schedule 1

	1990	1989
Canadian Cattlemen's Association:		
Operating Expenses	\$ 95,198	\$ 88,354
Beef Information Centre and National Advertising Campaign	822,500	512,500
	917,698	600,854
University of Saskatchewan (Department of Animal and Poultry Science)	120,000	.....
Veterinary Infectious Disease Organization	75,000	75,000
Saskatchewan Feed Testing Laboratory	65,000	.....
Saskatchewan Beef Information Centre	40,000	40,000
Saskatchewan Cattle Feeders' Association	28,622	8,402
Prairie Agricultural Machinery Institute	21,215	.....
Dr. Andrew Schmitz	10,000	1,000
Saskatchewan Stock Grower's Association	6,015	.....
Saskatchewan Agricultural Hall of Fame	700	.....
Western Cow/Calf Producers' Association .....	.....	6,000
Mankota Stockmen's Weigh Co. Ltd. ....	.....	5,000
Saskatchewan Feed Grain Users Association .....	.....	5,000
	<u>\$ 1,284,250</u>	<u>\$ 741,256</u>

Horned Cattle Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Horned Cattle Fund as at March 31, 1990 and the statements of revenue and expenditure and operating surplus, and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy as explained in Note 1 to the financial statements, on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
July 13, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	\$ 55,652	\$ 114,789
Marketable securities, at cost which approximates market	585,000	337,019
Accounts receivable	40,780	55,225
Inventory of cattle (Note 3)	386,065	457,594
Advance .....	.....	64,068
	<u>\$ 1,067,497</u>	<u>\$ 1,028,695</u>

Liabilities and Operating Surplus

Current Liabilities:		
Accounts payable	\$ 19,287	\$ 5,291
Operating surplus — Statement 2	1,048,210	1,023,404
	<u>\$ 1,067,497</u>	<u>\$ 1,028,695</u>

Commitments (Note 4)

(See accompanying notes to the financial statements)

Statement of Revenue and Expenditure and Operating Surplus

Year Ended March 31

Statement 2

	1990	1989
Revenue		
Deductions under Section 3 and 4 of The Horned Cattle Purchases Act	\$ 219,286	\$ 230,269
Less Commissions	3,272	3,408
	<u>216,014</u>	<u>226,861</u>
Pathlow Beef Research Project (Note 3)	149,279	178,190
Swift Current Forage Project (Note 3)	28,137	9,360
Interest	63,544	41,350
Total revenue	<u>\$ 456,974</u>	<u>\$ 455,761</u>
Expenditure		
Grants (Schedule 1)	231,960	119,937
Pathlow Beef Research Project — operating costs	197,686	228,342
Advisory Committee expenses	2,522	2,077
Total expenditure	<u>432,168</u>	<u>350,356</u>
Excess of revenue over expenditure	24,806	105,405
Operating surplus, beginning of year		
(as restated — Note 1)	1,023,404	917,999
Operating surplus, end of year	<u>\$ 1,048,210</u>	<u>\$ 1,023,404</u>

(See accompanying notes to the financial statements)

Horned Cattle Fund

Statement of Changes in Financial Position

Year Ended March 31

Statement 3

	1990	1989
Cash provided by operating activities:		
Excess of revenue over expenditure	\$ 24,806	\$ 105,405
Net change in non-cash working capital balances related to operations*	164,038	(10,225)
Total cash provided by operating activities	188,844	95,180
Cash position at beginning of year	451,808	356,628
Cash position at end of year	\$ 640,652	\$ 451,808
Cash position comprises cash and marketable securities		
* Accounts receivable	\$ 14,445	\$ (17,935)
Advance	64,068	(34,068)
Inventory	71,529	49,551
Accounts payable	13,996	(7,773)
	\$ 164,038	\$ (10,225)

(See accompanying notes to the financial statements)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

- a) Effective April 1, 1989, the Horned Cattle Fund changed its basis of accounting from a modified accrual basis to the accrual basis. Previously, revenue from deductions under The Horned Cattle Purchase Act was recognized in the accounts when cash was received. Such revenue is now recognized in the accounts as it is earned and accrues to the Fund.

The change in accounting policy has been applied retroactively in these financial statements. The effect is to decrease 1990 revenue by \$12,752, to increase 1989 revenue by \$16,062 and to increase prior periods by \$36,657.

- b) Cattle inventory is valued at approximate realizable value at the fiscal year end (Note 3).
 c) The Fund has not been charged with any occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

2. Legislative Authority

Pursuant to the provisions of The Horned Cattle Purchases Amendment Act, 1983, proclaimed into force October 1, 1983, the Horned Cattle Trust Fund was continued as the Horned Cattle Fund and the assets and liabilities of the Horned Cattle Trust Fund are deemed to be the assets and liabilities of the Fund.

The purpose of this Fund is to promote research and development in the livestock industry.

3. Inventory of Cattle

In view of the difficulty which exists in assigning on a rational basis the costs of production to animals at various stages of maturity and since the correlation between costs and revenue is not nearly as close as in most businesses, the inventory of cattle held is valued at approximate realizable value at the fiscal year end. The corresponding changes in inventory from one year to the next have been described as Appreciation (decline) in value of herd.

Revenue from Pathlow Beef Research Project

	1990	1989
Cattle sales	\$ 307,092	\$ 227,741
Appreciation (decline) in value of herd	(157,813)	(49,551)
Total revenue	\$ 149,279	\$ 178,190

Revenue from Swift Current Forage Project

	1990	1989
Net revenue — SouthWest Forage Association	\$ 18,545	\$ 9,360
Appreciation in value of herd	9,592	.....
Total revenue	\$ 28,137	\$ 9,360

4. Commitments

At March 31, 1990 the Fund approved grants totalling \$120,500 for payment in the year ended March 31, 1991 and \$100,000 for payment during the period 1992 to 1995.

Horned Cattle Fund

Schedule of Grants

Year Ended March 31

Schedule 1

	1990	1989
Western College of Veterinary Medicine	\$ 132,500	\$
Canadian Western Agribition Association	35,000	35,000
Melfort Agricultural Society	17,560	17,560
University of Saskatchewan (Research Services Section)	12,100	.....
University of Saskatchewan (Department of Animal and Poultry Science)	10,700	34,839
Agricultural Insight Foundation Inc.	10,000	.....
Saskatoon Prairieland Exhibition Corporation	5,000	8,000
Maple Creek Veterinary Services District	3,000	20,000
Western Canada Kochia Association	2,600	.....
Perdue Agricultural Society	2,500	.....
Canadian Charolais Youth Association	1,000	.....
Saskatchewan Holstein-Friesen Association .....	.....	4,000
Mr. F. Wilson .....	.....	538
	<u>\$ 231,960</u>	<u>\$ 119,937</u>

Carlton Trail Regional College

Auditors' Report

Members of the Board
Carlton Trail Regional College
Humboldt, Saskatchewan S0K 2A0

We have examined the operating fund and capital fund balance sheets of Carlton Trail Regional College as at June 30, 1989 and the statement of revenue, expenses and surplus and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Carlton Trail Regional College as at June 30, 1989 and the results of its operations for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

Wynyard, Saskatchewan,
December 20, 1989

E. J. C. Dudley & Co.
Chartered Accountants

Balance Sheets

as at June 30, 1989

	1989			1988	
	Capital Fund	Operating Fund	Total	Total	
Assets					
Current Assets					
Cash	\$	\$ 179,401	\$ 179,401	\$ 95,818	
Accounts Receivable .....	.....	15,242	15,242	146,674	
Prepaid Expenses .....	.....	10,083	10,083	3,209	
Investments — at cost	44,570	24,331	68,901	.....
Inventory .....	.....	361	361	322	
Deferred Charges .....	.....	1,605	1,605	.....
Due from Operating Fund	1,421	.....	1,421	8,846	
Total Current Assets	\$ 45,991	\$ 231,023	\$ 277,014	\$ 254,869	
Fixed Assets (Note 1)	103,975	.....	103,975	77,079	
Leasehold Improvements (Note 1)	4,105	.....	4,105	.....
	<u>\$ 154,071</u>	<u>\$ 231,023</u>	<u>\$ 385,094</u>	<u>\$ 331,948</u>	
Liabilities and Fund Balances					
Current Liabilities					
Accounts Payable and Accrued	\$	\$ 116,416	\$ 116,416	\$ 47,329	
Deferred Income .....	.....	4,058	4,058	575	
Due to Capital Fund .....	.....	1,421	1,421	8,846	
Total Current Liabilities	\$	\$ 121,895	\$ 121,895	\$ 56,750	
Unappropriated Fund Balance .....	.....	109,128	109,128	189,273	
Appropriated Fund Balance	154,071	.....	154,071	85,925	
	<u>\$ 154,071</u>	<u>\$ 231,023</u>	<u>\$ 385,094</u>	<u>\$ 331,948</u>	

See accompanying notes

Carlton Trail Regional College

Statement of Revenues and Expenditures

for the year ended June 30, 1989

	1989 Total	1988 Total
Revenues		
Saskatchewan Education	\$ 1,308,983	\$ 1,197,730
Federal Government	252,477	376,686
Other (Note 2)	305,323	239,288
Total	\$ 1,866,783	\$ 1,813,704
Expenditures		
Capital Expenditures	\$ 26,896	\$ 15,064
Leasehold Improvements	4,105	.....
Contractual and Professional Services	454,823	486,276
Rentals	146,640	128,699
Repairs and Maintenance	16,272	17,692
Operating Expenses (Schedule 3) (Note 2)	494,754	309,400
Personal Services	803,439	775,591
Total	\$ 1,946,929	\$ 1,732,722
Surplus (Deficit) before Appropriation	(80,146)	80,982
Current Appropriation .....	.....	.....
Surplus (Deficit) after Appropriation	\$ (80,146)	\$ 80,982

See accompanying notes

Statement of Changes in Fund Balances

for the year ended June 30, 1989

	1989			1988	
	Capital Fund	Operating Fund Unappropriated	Total	Total	
Fund Balance, beginning of the year	\$ 85,925	\$ 189,273	\$ 275,198	\$ 189,228	
Surplus (Deficit) for the year .....	.....	(80,146)	(80,146)	80,982	
Transfer from Operating Fund	37,146	.....	37,146	3,000	
Purchase of Fixed Assets (Note 1)	31,001	.....	31,001	15,064	
Disposal of Fixed Assets .....	.....	.....	.....	(76)	
Transfer to Operating Fund (Note 2) .....	.....	.....	.....	(13,000)	
Fund Balance, end of year	\$ 154,072	\$ 109,127	\$ 263,199	\$ 275,198	

See accompanying notes

Carlton Trail Regional College

Schedule of Revenues by Function

for the year ended June 30, 1989

Schedule 1

	Administration		Programming				Support Services		
	General Revenue	Community and Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services		
Saskatchewan Education									
Administrative Recovery	\$ 72,830	\$ 302	\$	\$	\$ 1,376	\$	\$	1988 Total	
Fiat Grant	589,796	.....	.....	.....	.....	.....	.....	74,232
Program Payments .....	.....	4,586	209,969	390,820	.....	13,205	26,099	563,805
Other .....	.....	.....	.....	.....	.....	.....	.....	559,693
Total	\$ 662,626	\$ 4,888	\$ 209,969	\$ 390,820	\$ 1,376	\$ 13,205	\$ 26,099	1,197,730	
Federal Government									
CJS Seat Purchase	\$ 9,734	.....	\$ 32,575	\$ 36,273	.....	\$ .....	\$ .....	21,982
CJS Projects	26,666	45,601	.....	22,410	.....	.....	79,218	354,704
Other .....	.....	.....	.....	.....	.....	.....	.....	.....
Total	\$ 36,400	\$ 45,601	\$ 32,575	\$ 58,683	.....	\$ .....	\$ 79,218	376,686
Other									
Administrative Recovery	\$	\$	\$	\$	\$ 250	\$ .....	\$ .....	.....
Interest	25,503	.....	.....	.....	.....	.....	.....	13,300
Rents	7,537	.....	.....	5,570	.....	.....	.....	15,154
Resale Items .....	.....	7,255	1,207	35,650	85	.....	.....	37,050
Tuitions .....	.....	104,176	4,559	82,966	10,259	.....	.....	138,951
Other (Note 2)	19,303	.....	.....	1,003	.....	.....	.....	34,833
Total	\$ 52,343	\$ 111,431	\$ 5,766	\$ 125,189	\$ 10,594	\$	\$	239,288	
Total Revenue	\$ 751,369	\$ 161,920	\$ 248,310	\$ 574,692	\$ 11,970	\$ 13,205	\$ 105,317	1,813,704	

See accompanying notes

Carlton Trail Regional College

Schedule of Expenditures by Function

for the year ended June 30, 1989

Schedule 2

	General Administration			Community and Individual Development		Programming			Support Services		
	Board	General Administrative	Organizational	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services			
Capital Expenditures	\$	\$ 6,674	\$ 3,326	\$ 16,896	\$	\$	\$	\$	\$	\$	\$ 15,064
Leasehold Improvements .....	.....	.....	4,105	.....	.....	.....	.....	.....	.....	.....	.....
Contractual and Professional Services	1,125	13,224	1,070	70,253	14,157	339,351	14,363	1,280	.....	454,823	486,276
Rentals .....	.....	18,048	17,729	24,134	12,222	66,847	3,563	4,097	.....	146,640	128,699
Repairs and Maintenance .....	.....	2,470	3,162	2,547	4,484	3,576	33	.....	.....	16,272	17,692
Operating (Schedule 3) (Note 2)	18,630	75,565	80,430	56,344	43,922	100,286	6,929	7,333	105,315	494,754	309,400
Personal services	19,902	145,504	309,430	29,723	183,978	82,452	1	32,449	.....	803,439	775,591
Total Expenditures	\$ 39,657	\$ 261,485	\$ 419,252	\$ 199,897	\$ 258,763	\$ 592,512	\$ 24,889	\$ 45,159	\$ 105,315	\$ 1,946,929	\$ 1,732,722

See accompanying notes

Schedule of Operating Expenses

for the year ended June 30, 1989

Schedule 3

	General Administration			Community and Individual Development		Programming			Support Services		
	Board	General Administrative	Organizational	Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services		
\$	\$	\$ 1,275	\$ 450	\$ 6,100	\$ 3,308	\$ 12,000	\$ 4,800	\$ 700	\$	\$	
Advertising	2,800	270	.....	.....	.....	.....	.....	.....	.....	\$ 28,633
Association Fees and Dues			11	.....	.....	.....	.....	.....	.....	3,070
Bank Charges and Interest			23	6,443	350	.....	.....	.....	.....	11
Computer Software										6,816	
Conference, Training Fees	2,595	425	2,942	510	780	100				7,352	
Equipment Under \$500/Item		1,507	4,189	3,110	2,204	693	139			11,842	
Insurance		4,670			24	529				5,223	
Materials and Supplies		4,951	4,959	7,896	13,584	11,984	125	1,277		44,776	
Postage, Freight, Courier		6,049	5,818	3,516	1,882	5,283	276	307		23,131	
Printing and Duplicating	390			4,277	702	5,549	540	595		12,053	
Resale Items				7,118	1,979	32,481	200			41,778	
Subscriptions		78	181		43					302	
Telephone	238	5,106	34,067	1,050	5,346	10,813	849	800		58,269	
Travel	12,226	9,022	26,908	16,125	11,134	6,514		3,654	720	86,303	
Utilities		4,551	521		2,485	5,438				12,995	
Other (Note 2)	381	37,661	361	199	101	8,902			104,595	152,200	
Total	\$ 18,630	\$ 75,565	\$ 80,430	\$ 56,344	\$ 43,922	\$ 100,286	\$ 6,929	\$ 7,333	\$ 105,315	\$ 494,754	
										\$ 309,400	

See accompanying notes

Carlton Trail Regional College

Analysis of Balance — Capital Fund

Schedule 4

as at June 30, 1989

	1989	1988
Balance is Comprised of . . .		
Reserve for Equipment Replacement	\$ 8,811	\$ 8,811
Reserve for Future Expenditure	36,000	.....
Investment in Capital Assets	109,260	77,114
Fund Balance	<u>\$ 154,071</u>	<u>\$ 85,925</u>
. . . held in the form of:		
Current Assets		
Cash Due from Operating Fund	\$ 1,421	\$ 8,846
Investment (Matures April, 1990)	44,570	.....
	<u>45,991</u>	<u>8,846</u>
Fixed Assets (at Carrying Values)		
Furniture and Fixtures	10,502	9,862
Equipment	93,473	67,217
Leasehold Improvements	4,105	.....
	<u>108,080</u>	<u>77,079</u>
Fund Balance	<u>\$ 154,071</u>	<u>\$ 85,925</u>

See accompanying notes

Notes to the Financial Statements

for the year ended June 30, 1989

1. Significant Accounting Policies

a) General

Legislation enacted during 1988 requires that the College observe the policies and other stipulations of the Regional Colleges Accounting and Reporting Manual. Accordingly, accounts have been maintained and information is presented in compliance with the requirements of the said Manual.

b) Fund Accounting

Fund accounting is recommended by the Regional Colleges Accounting and Reporting Manual. Carlton Trail Regional College thus continues to utilize two funds, namely the Capital Fund and the Operating Fund.

The Capital Fund serves to identify those assets owned by the College and expected to benefit the College over an extended period of time. Any liabilities associated with these assets are also reported in the Capital Fund.

The Operating Fund accommodates the recording and reporting of the routine operational activities of the College on a year by year basis.

The Regional Colleges Accounting and Reporting Manual introduces one modification to the traditional basis of fund accounting by requiring that all acquisitions of capital assets be recorded as an expenditure of the Operating Fund in the year of acquisition. Accordingly, current acquisitions of fixed assets are reflected in the attached Statement of Revenues and Expenditures of the Operating Fund.

c) Depreciation and Amortization

Prior to the 1988 fiscal year, Carlton Trail Regional College followed the practice of recording annual depreciation to reflect the gradual diminution of the remaining use life of fixed assets recorded in the Capital Fund. Similarly, the cost of leasehold improvements were amortized over the term of the initial lease. Both depreciation and amortization were charged only against Equity in Capital Assets, and had no effect on the results of operations.

Commencing with the 1988 fiscal year, these practices were discontinued in accordance with the requirements of the Regional Colleges Accounting and Reporting Manual. The change was not applied retroactively.

2. Interfund Transfers

- a) As discussed in Note 1(b) above, the acquisition of capital assets is required to be reported as an expenditure of the Operating Fund in the year of acquisition. In cases where such acquisitions are financed from sources other than current operations, a compensating entry is required to avoid distortion of the net results of operations for the year.

For this reason, in 1987/88 an expenditure of \$13,000 from the Capital Fund was reported as a transfer to the Operating Fund, where it was included in Other General Revenue on Schedule 1.

Carlton Trail Regional College

As all fixed assets acquired during the 1988/89 fiscal year were provided by the Operating Fund, a compensating entry of this nature was not required.

- b) A budgeted expenditure to transfer \$36,000 (\$3,000 in 1988) from the Operating Fund to the Capital Fund is included in General Administrative Expense — Other on Schedule 3.

3. Fixed Assets

Fixed assets of the College include the following:

			<i>Depreciation and Amortization Accumulated</i>		<i>Carrying Value</i>	
	<i>Original Cost</i>	<i>to June 30, 1987</i>		<i>1989</i>	<i>1988</i>	
Furniture	\$ 49,334	\$ 38,832	\$ 10,502	\$ 9,862		
Equipment	180,163	86,690	93,473	67,217		
Leasehold Improvements	11,585	7,480	4,105	.....	
			<u>\$ 108,080</u>	<u>\$ 77,079</u>		

4. Line of Credit

The College has established a line of credit to a maximum of \$100,000 with the Royal Bank of Canada, Humboldt, which is secured by an assignment of grants due from Saskatchewan Education. The line of credit was not utilized during the year.

5. Significant Leases

The College is obligated under the following lease agreements:

- Administration Building: A three year lease which expires June 30, 1992 calls for the payment of rentals of \$2,600 per month.
- Technical Education Building: A two year lease which expires September 3, 1990 obligates the College to semi-annual rental payments of \$11,700.
- Davidson Office: Quarterly payments of \$1,500 each are required by the terms of the three year lease which expires February 28, 1991. The College has exercised its option under a cancellation clause and given notice of termination of this lease effective August 31, 1990.
- Watrous Office: A five year lease expiring December 15, 1993 obligates the College to monthly payments of \$665.
- Equipment: The College is committed to an annual lease payment of \$5,832 in respect of photocopier equipment. The lease term is five years and expires July 31, 1993.

6. Subsequent Events

Subsequent to balance sheet date, the Wynyard office and classrooms were relocated. The related three year agreement calls for payment of \$6,000 in the 1989/90 fiscal year and \$9,500 in each of the 1990/91 and 1991/92 fiscal years.

Cumberland Regional College

Auditors' Report

Members of the Board
Cumberland Regional College
Nipawin, Saskatchewan

We have examined the operating fund and capital fund balance sheets of Cumberland Regional College as at June 30, 1989 and the statements of revenue and expenditures and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the College as at June 30, 1989 and the results of its operations and the changes in fund balances for the year then ended, in accordance with the disclosed basis of accounting described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Nipawin, Saskatchewan,
November 24, 1989

Armstrong & Neumann
Chartered Accountants

Statement of Revenue and Expenditures

for the Year Ended June 30, 1989

Statement 1

	1989 <i>Total</i>	1988 <i>Total</i>
Revenue (schedule 1)		
Saskatchewan Education	\$ 1,306,459	\$ 1,031,020
Federal Government	215,108	182,249
Other	169,664	117,217
	<u>1,691,231</u>	<u>1,330,486</u>
Expenditures (schedule 2)		
Capital expenditures	35,101	31,962
Contractual and professional services	195,617	178,701
Rentals	141,153	98,248
Repairs and maintenance	6,820	10,554
Operating expenses (schedule 3)	412,224	336,253
Personal services	843,231	606,321
	<u>1,634,146</u>	<u>1,262,039</u>
Excess of revenue over expenditures before appropriation	57,085	68,447
Appropriation to reserve for future capital expenditure	22,897	.....
Excess of Revenue Over Expenditures	<u>\$ 34,188</u>	<u>\$ 68,447</u>

See accompanying notes

Cumberland Regional College

Balance Sheet

June 30, 1989

Statement 2

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Assets				
Current Assets				
Cash	\$	\$ 214,816	\$ 214,816	\$ 67,953
Accounts receivable .....	.....	38,088	38,088	119,883
Temporary investments, at cost .....	.....	5,000	5,000	.....
Prepaid expenses .....	.....	14,931	14,931	7,284
		272,835	272,835	195,120
Capital Assets (note 3)	158,984	.....	158,984	130,658
Leasehold Improvements	8,505	.....	8,505	8,505
	<u>\$ 167,489</u>	<u>\$ 272,835</u>	<u>\$ 440,324</u>	<u>\$ 334,283</u>
Liabilities and Fund Equities				
Current Liabilities				
Accounts payable and accrued liabilities ..	\$	\$ 89,077	\$ 89,077	\$ 59,954
Equity				
Equity in capital fund assets	167,489	.....	167,489	139,163
Reserve for future capital expenditure .....	.....	22,897	22,897	.....
Unappropriated fund balance .....	.....	160,861	160,861	135,166
	<u>167,489</u>	<u>183,758</u>	<u>351,247</u>	<u>274,329</u>
	<u>\$ 167,489</u>	<u>\$ 272,835</u>	<u>\$ 440,324</u>	<u>\$ 334,283</u>

See accompanying notes

Statement of Changes in Fund Balances

For the Year Ended June 30, 1989

Statement 3

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Fund balance, beginning of year	\$ 139,163	\$ 135,166	\$ 274,329	\$ 173,920
Excess of revenue over expenditures before appropriation .....	.....	57,085	57,085	68,447
	139,163	192,251	331,414	242,367
Appropriation from surplus for literacy program costs .....	.....	(8,493)	(8,493)	.....
Appropriation to reserve for future capital expenditure .....	.....	(22,897)	(22,897)	.....
Purchase of capital assets	35,101	.....	35,101	31,962
Disposal of capital assets	(6,775)	.....	(6,775)	.....
Fund balance, end of year	<u>\$ 167,489</u>	<u>\$ 160,861</u>	<u>\$ 328,350</u>	<u>\$ 274,329</u>

See accompanying notes

Cumberland Regional College

Notes to the Financial Statements

June 30, 1989

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following policies:

Fund Accounting

A fund is a separate self-balancing set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity. These funds are:

Operating Fund: This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the college. Included in the operating fund are expenditures for the acquisition of capital assets.

Capital Fund: This fund contains the capital assets of the college and the equity in the capital assets.

Capital Assets

Acquisitions of capital assets are treated as an expenditure of the operating fund in the year of acquisition. The college uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the college in the year of disposal. In accordance with this stated accounting policy, the college does not charge depreciation on its capital assets.

2. Leasehold Improvements

Leasehold improvements are accounted for in the same manner as the capital assets of the college.

3. Capital Assets

Capital assets are comprised of the following balances:

	1989	1988
Equipment		
— audio visual and educational	\$ 100,532	\$ 65,431
— office	55,456	55,456
Films	2,996	2,996
Vehicles .....	.....	6,775
	<u>\$ 158,984</u>	<u>\$ 130,658</u>

4. Contingency

College employees have been without a union contract since the fiscal year ending June 30, 1987. It is anticipated that an agreement will be reached between management and union personnel in the near future, the terms of which may include retroactive pay adjustments. An accrual of \$25,099 has been made in the accounts to reflect an estimate of the adjustment which may be necessary.

Any retroactive adjustments that are actually incurred and which deviate from this accrual will be accounted for in the current year's expenditures.

Cumberland Regional College

Schedule of Revenue by Function

For the Year Ended June 30, 1989

Schedule 1

	General Administration			Programming				Support Services			Totals	
	Board	Adminis- tration	Organiza- tional	General Revenue	Community and Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	1989 Total	1988 Total
Saskatchewan Education												
Administrative recovery	\$	\$	\$	\$ 66,801	\$	\$	\$	\$	\$	\$	\$ 66,801	\$ 51,732
Flat grant	525,680	.....	.....	.....	.....	.....	.....	525,680	481,953
Program payments	294,168	228,447	.....	.....	.....	522,615	366,405
Other	191,363	191,363	130,930
				592,481	.....	294,168	228,447	.....	.....	191,363	1,306,459	1,031,020
Federal Government												
CJS projects	50,909	76,363	.....	.....	56,455	183,727	178,347
Other	9,854	.....	3,498	18,029	.....	.....	.....	31,381	3,902
				9,854	.....	54,407	94,392	.....	.....	56,455	215,108	182,249
Other												
Contracts	4,903	.....	8,650	.....	.....	.....	13,553	17,068
Interest and dividends	19,339	.....	.....	.....	.....	.....	.....	19,339	8,266
Rents	60	.....	.....	.....	.....	.....	.....	60	2,500
Resale items	(9)	595	.....	.....	.....	23,127	23,713	16,930
Tuition	48,267	1,975	36,467	60	.....	306	87,075	71,322
Other	10,623	487	8,493	96	5,380	140	705	25,924	1,131
				30,022	53,648	11,063	45,213	5,440	140	24,138	169,664	117,217
Total Revenue	\$	\$	\$	\$ 632,357	\$ 53,648	\$ 359,638	\$ 368,052	\$ 5,440	\$ 140	\$ 271,956	\$1,691,231	\$1,330,486

Schedule of Expenditures by Function

For the Year Ended June 30, 1989

Schedule 2

	General Administration			Programming				Support Services			Totals	
	Board	Adminis- trative	Organiza- tional	General Revenue	Community and Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Services	Student Services	1989 Total	1988 Total
Capital expenditures	\$	\$	\$ 35,101	\$	\$	\$	\$	\$	\$	\$	\$ 35,101	\$ 31,962
Contractual and												
professional services .....	.....	16,219	1,418	.....	8,333	9,965	137,448	22,234	.....	.....	195,617	178,701
Rentals	286	11,763	51,788	.....	9,714	20,042	41,134	2,683	3,743	.....	141,153	98,248
Repairs and maintenance	.....	.....	6,291	.....	529	.....	.....	.....	.....	.....	6,820	10,554
Operating (schedule 3)	12,202	24,067	67,882	.....	13,804	51,076	37,099	10,234	4,443	191,417	412,224	336,253
Personal services	17,767	134,020	202,566	.....	19,307	228,665	113,521	1,180	43,336	82,869	843,231	606,321
Total Expenditures	\$ 30,255	\$ 186,069	\$ 365,046	\$	\$ 51,687	\$ 309,748	\$ 329,202	\$ 36,331	\$ 51,522	\$ 274,286	\$1,634,146	\$1,262,039

Cumberland Regional College

Schedule of Operating Expenditures

For the Year Ended June 30, 1989

Schedule 3

	1989	1988
Advertising	\$ 24,446	\$ 28,170
Association fees and dues	3,189	2,671
Bad debts	2,596	633
Bank charges and interest	94	94
Conference fees	8,825	.....
Equipment purchases (less than \$500)	16,890	502
Inservice training fees	2,720	1,909
Insurance	4,121	3,773
Materials and supplies	41,749	29,544
Postage, freight and courier	9,849	8,889
Resale items	23,965	17,878
Subscriptions	528	581
Telephone	35,387	32,121
Training allowances	150,500	122,144
Travel	59,743	38,486
Utilities	12,780	12,090
Other	14,842	36,768
Total	<u>\$ 412,224</u>	<u>\$ 336,253</u>

Cypress Hills Regional College

Auditors' Report

To the Board of the
Cypress Hills Regional College

We have examined the statement of financial position of the Cypress Hills Regional College as at June 30, 1989 and the statements of revenue and expenditures and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the College as at June 30, 1989 and the results of its operations and the changes in its fund balances for the year then ended in accordance with the accounting policies as described in Note 1 to financial statements applied on a basis consistent with that of the preceding year, except as explained in Note 3 to the financial statements.

Swift Current, Saskatchewan,
September 15, 1989

Stark & Company
Chartered Accountants

Statement of Revenue and Expenditures

For the Year Ended June 30, 1989

Statement 1

	1989	1988
Revenue — Schedule 1		
Saskatchewan Education	\$ 1,372,184	\$ 1,251,092
Federal Government	375,148	201,372
Other	313,422	332,399
	<u>\$ 2,060,754</u>	<u>\$ 1,784,863</u>
Expenditures — Schedules 2 and 3		
Capital expenditures	\$ 39,621	\$ 61,010
Leasehold improvements	5,175	5,303
Contractual and professional services	377,095	516,327
Rentals	157,524	124,753
Repairs and maintenance	8,516	6,283
Operating expenses	422,048	252,248
Personal services	1,025,301	798,358
	<u>\$ 2,035,280</u>	<u>\$ 1,764,282</u>
Excess of Revenue over Expenditures before Appropriation	\$ 25,474	\$ 20,581
Current Year Appropriation .....	.....	.....
	<u>\$ 25,474</u>	<u>\$ 20,581</u>

Cypress Hills Regional College

Statement of Financial Position

As at June 30, 1989

Statement 2

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Assets				
Current Assets				
Cash	\$	\$ 441,426	\$ 441,426	\$ 423,665
Accounts receivable .....	.....	73,980	73,980	68,469
Prepaid expenses — Note 4(b) .....	.....	29,570	29,570	6,362
Inventory .....	.....	957	957	920
Other .....	.....	391	391	365
		546,324	546,324	499,781
Capital Assets — Notes 2 and 3	288,696	.....	288,696	249,074
	<u>\$ 288,696</u>	<u>\$ 546,324</u>	<u>\$ 835,020</u>	<u>\$ 748,855</u>
Liabilities and Fund Balances				
Current Liabilities				
Accounts payable	\$	\$ 170,006	\$ 170,006	\$ 141,079
Deferred income .....	.....	30,943	30,943	38,685
Deposits .....	.....	1,319	1,319	1,435
		202,268	202,268	181,199
Unappropriated Fund Balance	288,696	344,056	632,752	567,656
	<u>\$ 288,696</u>	<u>\$ 546,324</u>	<u>\$ 835,020</u>	<u>\$ 748,855</u>

Statement of Changes in Fund Balances

For the Year Ended June 30, 1989

Statement 3

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Fund Balance, Beginning of Year	\$ 249,074	\$ 318,582	\$ 567,656	\$ 419,655
Excess of Revenue Over Expenditures .....	.....	25,474	25,474	20,581
	249,074	344,056	593,130	440,236
Purchase of Capital Assets	39,622	.....	39,622	61,010
Adjustment of Capital Assets — Note 3 .....	.....	.....	.....	66,410
Fund Balance, End of Year	<u>\$ 288,696</u>	<u>\$ 344,056</u>	<u>\$ 632,752</u>	<u>\$ 567,656</u>

Cypress Hills Regional College

Notes to the Financial Statements

June 30, 1989

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following policies:

Fund Accounting

A fund is a separate self-balancing set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity. These funds are:

Operating Fund — This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the College. Included in the operating fund are expenditures for the acquisition of capital assets.

Capital Fund — This fund contains the capital assets of the College and the equity in the capital assets.

Capital Assets

Acquisitions of capital assets are treated as an expenditure of the operating fund in the year of acquisition. The College uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the College in the year of disposal. In accordance with this stated accounting policy, the College does not charge depreciation on its capital assets.

2. Capital Assets

Capital assets are comprised of administrative and educational furniture and equipment at historical cost. The College does not own any buildings or vehicles.

3. Changes in Accounting Policy

- (a) In years prior to 1988 the policy of the College was to capitalize all furniture and equipment of lasting value, regardless of cost. In 1988 the College instituted a policy of only capitalizing additions to furniture and equipment having a unit cost of \$500 or more. This policy was applied retroactively and as a result items with a total historical cost of \$110,443 were removed from the fixed asset list.
- (b) In years prior to 1988 it was the policy of the College to charge an annual provision for depreciation of furniture and equipment. This provision was only charged against capital fund equity and had no effect on operating results. In 1988 this policy was discontinued in accordance with the recommendations of the Regional Colleges Accounting and Reporting Manual. This change was applied retroactively and as a result the accumulated depreciation from previous years totalling \$176,853 was written off.

The effect of the changes in points (a) and (b) above is as follows:

Accumulated depreciation	\$	176,853
Capital assets written off		(110,443)
Net increase in fund balance	\$	<u>66,410</u>

4. Commitments

The Cypress Hills Regional College has entered into the following agreements which are considered significant to its operations:

(a) Lease agreement

The lease of the present building expires July 31, 1990 and requires payment of a base rent of \$4,750 per month plus a monthly charge of \$2,794 for utilities.

(b) Purchase agreement

The college has entered into an agreement to purchase the Beatty Collegiate building in Swift Current, effective July, 1990. The total cost of the purchase is one million dollars, of which \$100,000 is to be paid by the college. The balance is to be paid by the Saskatchewan Department of Education. The college has made a deposit of \$10,000 which is included in prepaid expenses.

5. Class Allowances

This represents amounts paid to students under the federal job re-entry program and full meal preparation course. These amounts were paid to the college by the federal government, to be passed on to the students, conditional on them staying in the programs.

Cypress Hills Regional College

Schedule of Revenue by Function

For the Year Ended June 30, 1989

Schedule 1

	General Administration			Community and Individual Development			Programming			Support Services		Totals
	Board	Admin-istrative	Organi-zational	General Revenue	Individual Development	Adult Basic Education	Vocational Technical	University	Career Services	Student Services	1989 Totals	1988 Totals
Saskatchewan Education												
Administrative Recovery	\$	334 \$	68,042 \$	615,078	\$	\$	\$	\$	\$	\$	68,376 \$	63,984
Fiat Grant											615,078	606,807
Supplementary Grants						45,000					45,000	2,867
Program Payments						199,142	421,020			860	621,022	574,094
Other		736	13,028	18						8,926	22,708	3,340
Total		1,070	81,070	615,096		244,142	421,020			9,786	1,372,184	1,251,092
Federal Government												
C J S Direct Purchases			31,252			51,335	55,483				138,070	150,919
C J S Projects		2,500	6,350		146,945		81,284				228,229	48,548
Other											8,850	1,905
Total		2,500	37,602		146,945	51,335	136,767				375,149	201,372
Other												
Administrative Recovery			3,928						644		4,572	579
Contracts					26,805	4,675	6,193				37,673	73,086
Interest and Dividends				45,640							45,640	29,179
Rents — External		246	99				10,040				10,385	16,207
Rents — Internal		3,420	7,574								10,994	
Resale Items		5	234		4,394	1,341	4,769				10,743	11,477
Tuition		25,912			76,966	10,243	41,606	31,775			186,502	164,547
Other			2,526	3,498	491		397				6,912	37,324
Total		29,583	14,361	49,138	108,656	16,259	63,005	31,775	644		313,421	332,399
Total Revenue	\$	33,153 \$	133,033 \$	664,234 \$	255,601 \$	311,736 \$	620,792 \$	31,775 \$	644 \$	9,786 \$	2,060,754 \$	1,784,863

Schedule of Expenditures by Function

For the Year Ended June 30, 1989

Schedule 2

	General Administration			Community and Individual Development			Programming			Support Services		Totals
	Board	Admin-istrative	Organi-zational	General Revenue	Individual Development	Adult Basic Education	Vocational Technical	University	Career Services	Student Services	1989 Totals	1988 Totals
Capital Expenditures	\$	396 \$	5,151 \$	29,716 \$	\$	\$	\$	\$	\$	\$	39,621	61,010
Leasehold Improvements			5,175								5,175	5,303
Contractual and Professional Services												
Rentals	1,425	8,994	1,392		62,747	10,694	233,156	57,832	475	380	377,095	516,327
Repairs and Maintenance	2,127	30,845	25,505		11,144	21,488	46,283	8,430	9,841	1,861	157,524	124,753
Operating (Schedule 3)	17,307	130,397	43,560		81,005	41,813	91,447	2,846	4,763	8,910	422,048	252,248
Personal Services	14,413	265,945	209,370		54,705	219,307	219,203		12,135	30,223	1,025,301	798,358
Total	\$	35,668 \$	455,022 \$	309,543 \$	209,601 \$	293,303 \$	590,089 \$	69,108 \$	31,572 \$	41,374 \$	2,035,280 \$	1,764,282

Cypress Hills Regional College

Schedule of Operating Expenses

For the Year Ended June 30, 1989

Schedule 3

	1989	1988
Operating Expenses		
Advertising	\$ 19,240	\$ 17,611
Association fees and dues	3,216	3,252
Bank charges and interest	222	41
Class allowances — Note 5	100,985	.....
Computer software	9,137	10,996
Conference fees	1,872	2,813
Equipment purchases (u. \$500)	13,569	19,060
Inservice training fees	5,024	6,655
Insurance	4,294	4,152
Licenses and taxes	163	10
Materials and supplies	109,605	71,702
Postage, freight and courier	12,503	7,317
Printing and duplicating	11,598	1,213
Subscriptions	482	289
Telephone	37,920	30,540
Travel	44,518	48,749
Utilities	39,220	19,853
Other	8,480	7,995
	<u>\$ 422,048</u>	<u>\$ 252,248</u>

Northlands Career College

Auditors' Report

To the Board of Directors of
the Northlands Career College:

We have examined the balance sheet of Northlands Career College as at June 30, 1989 and the statements of revenue and expenditures and of changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the College as at June 30, 1989 and the results of its operations and of changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances as described in Note 2 to the financial statements, applied on a basis consistent with that of the preceding year.

Prince Albert, Saskatchewan,
November 24, 1989.

Deloitte, Haskins & Sells
Chartered Accountants

Statement of Revenue and Expenditure

Year Ended June 30, 1989

	1989 (12 months)	1988 (6 months)
Revenue		
Saskatchewan Education	\$ 5,017,017	\$ 2,648,167
Federal Government	1,233,235	689,591
Other	991,858	250,675
Total — Schedule 1	<u>\$ 7,242,110</u>	<u>\$ 3,588,433</u>
Expenditures		
Capital expenditures	\$ 138,354	\$ 5,695
Leasehold improvements		
Contractual and professional services	1,633,661	840,987
Rentals	765,530	373,437
Repairs and maintenance	164,944	40,846
Operating expenses — Schedule 3	1,247,078	745,140
Personal services	3,323,756	1,588,623
Total — Schedule 2	<u>\$ 7,273,323</u>	<u>\$ 3,594,728</u>
Excess of Expenditure over Revenue	<u>\$ (31,213)</u>	<u>\$ (6,295)</u>

Northlands Career College

Statement of Changes in Fund Balances

Year Ended June 30, 1989

	Revenue		Capital		Total
	Contributed Surplus	Fund Balance	Equity in Capital Assets	Appropriated Surplus Building Fund	
Balance, Beginning of Year	\$ 426,864	\$ (6,295)	\$ 388,545	\$	\$ 809,114
Adjustments to Contributed Surplus Balance on Amalgamation	105,367	.....	.....	.....	105,367
Prior Year Expense Adjustment .....	.....	(1,920)	.....	.....	(1,920)
Current Year Excess of Expenditures Over Revenue .....	.....	(31,213)	.....	.....	(31,213)
Current Year Appropriation to Building Fund	(350,000)	.....	.....	350,000	.....
Current Year Capital Asset Acquisitions — Revenue Fund .....	.....	.....	85,398	.....	85,398
Repayment of Long-Term Debt .....	.....	.....	14,818	.....	14,818
Balance, End of Year	<u>\$ 182,231</u>	<u>\$ (39,428)</u>	<u>\$ 488,761</u>	<u>\$ 350,000</u>	<u>\$ 981,564</u>

Northlands Career College

Balance Sheet

June 30, 1989

	1989				1988
	Revenue	Program	Capital	Total	Total
Assets					
Current Assets					
Cash	\$ 423,485	\$	\$	\$ 423,485	\$ 814,924
Accounts receivable	2,556	518,981	.....	521,537	791,412
Prepaid expenses	14,246	.....	.....	14,246	9,645
Due from program fund	172,955	.....	.....	172,955	303,271
	613,242	518,981	.....	1,132,223	1,919,252
Due from Revenue Fund .....	.....	.....	350,000	350,000	.....
Capital Assets (Note 3) ....	.....	.....	509,995	509,995	424,597
	<u>\$ 613,242</u>	<u>\$ 518,981</u>	<u>\$ 859,995</u>	<u>\$ 1,992,218</u>	<u>\$ 2,343,849</u>
Liabilities					
Current Liabilities					
Bank indebtedness	\$	\$ 4,915	\$	\$ 4,915	.....
Accounts payable and accrued liabilities	90,439	56,599	.....	147,038	442,920
Accountable advances (Note 4)	30,000	.....	.....	30,000	181,253
Unearned revenue (Note 5) .....	.....	284,512	.....	284,512	571,239
Due to revenue fund .....	.....	172,955	.....	172,955	303,271
Current portion of long- term debt .....	.....	.....	10,524	10,524	14,749
	120,439	518,981	10,524	649,944	1,513,432
Due to Capital Fund	350,000	.....	.....	350,000	.....
Long-Term Debt (Note 6) ..	.....	.....	10,710	10,710	21,303
	<u>\$ 470,439</u>	<u>\$ 518,981</u>	<u>\$ 21,234</u>	<u>\$ 1,010,654</u>	<u>\$ 1,534,735</u>
Equity and Fund Balances					
Equity in					
Capital Assets .....	.....	.....	488,761	488,761	388,545
Appropriated Surplus — Building Fund .....	.....	.....	350,000	350,000	.....
Contributed Surplus	182,231	.....	.....	182,231	426,864
Fund Balance	(39,428)	.....	.....	(39,428)	(6,295)
	142,803	.....	838,761	981,564	809,114
	<u>\$ 613,242</u>	<u>\$ 518,981</u>	<u>\$ 859,995</u>	<u>\$ 1,992,218</u>	<u>\$ 2,343,849</u>

Northlands Career College

Notes to the Financial Statements

June 30, 1989

1. Statutory Authority

On January 1, 1988 the Northlands Career College was established as a public education facility by the Legislative Assembly of Saskatchewan in an Act respecting Regional Colleges per Bill #47 of 1986-87 Section 32(2) (cited as The Regional College Act).

Northlands Career College was created from the amalgamation of three previously separate community colleges within the Province of Saskatchewan. These include: Westside Community College (Buffalo Narrows), North East Community College (Creighton) and La Ronge Regional Community College (La Ronge).

The legislation enacting Northlands Career College provided for the establishment of the college through the transfer, at no cost, of all the assets, liabilities and net equity of these three previously separate colleges.

2. Significant Accounting Practices and Reporting Practices

General

These financial statements have been prepared in accordance with generally accepted accounting principles as appropriate for educational institutions such as colleges and universities. The following exceptions to generally accepted accounting principles are appropriate for colleges and universities:

- No provision is made for depreciation of capital assets;
- Capital assets are expensed in the year of acquisition and a complementary asset/equity is recorded to reflect capital asset acquisitions.

Accrual accounting

In accordance with generally accepted accounting principles, Northlands Career College utilizes the accrual basis of accounting for all revenues and expenditures except those transactions specifically excluded above.

Fund accounting

The accounts of Northlands Career College are maintained in accordance with the principles of fund accounting to permit the observation of limitations and restrictions placed on the use of available resources. Under fund accounting, revenue and the related expenditures are accounted for in separate funds in accordance with objectives specified by limitations and restrictions imposed by sources outside of Northlands Career College and determinations made by the Board of Directors.

For financial statement reporting purposes the balance sheet combines the assets, liabilities and fund balances of all funds. These funds are:

a) Revenue Fund:

The revenue fund contains the current revenue, expenditures, assets and liabilities pertaining to the general operations of the college. Included in revenue fund expenditures are transfers to the capital fund for purchase of capital assets and principal repayments on capital loans.

b) Capital Fund:

The capital fund contains the property and equipment, the capital loans payable and the equity in capital fund assets.

c) Program Fund:

The program fund contains the current revenue and expenditures relating to the operations of specific program courses. Surpluses or deficits are recognized when the specific program is complete and are transferred to the Revenue Fund. Surpluses or deficits on courses in progress at the period end are included in deferred revenue or accounts receivable. Equipment purchased for approved programs is expensed in the program fund. These purchases are not capitalized or depreciated.

Accounts receivable

Accounts receivable are reported net of any provision for doubtful accounts.

Unearned revenue

Unearned revenue is recorded for program revenue received and is applicable to incomplete programs or programs commencing in the next fiscal year.

3. Capital Assets

Assets acquired from the three community colleges upon amalgamation at January 1, 1988 are recorded at net book value. Subsequent additions will be recorded at cost.

	1989	1988
Land	\$ 500	\$ 500
Buildings and trailers	363,012	323,434
Equipment, furniture and fixtures	146,483	100,663
	<u>\$ 509,995</u>	<u>\$ 424,597</u>

Northlands Career College

4. **Accountable Advances**

Provincial operating grants and program advances received prior to the programs commencing are recorded as accountable advances.

5. **Unearned Revenue**

Unearned revenue consists of funds advanced in excess of expenditures made for programs in progress at the end of the fiscal year.

6. **Long-Term Debt**

	1989	1988
Demand loan, at prime, repayable in monthly principal instalments of \$860 plus interest secured by property located in Creighton	\$ 5,166	\$ 14,626
Advance from the Department of Advanced Education and Manpower is repayable in annual principal payments of \$5,358. No interest is payable on this debt and the debt is secured by a lodgement of title to the land on which the building is located in Creighton	16,068	21,426
	21,234	36,052
Less amounts due within one year	10,524	14,749
	<u>\$ 10,710</u>	<u>\$ 21,303</u>

7. **Labour Negotiations**

The collective bargaining agreement between the college and its employees, represented by the Saskatchewan Government Employee's Union, expired on August 31, 1986. Negotiations are currently in progress and the amount of retroactive wage settlements, if any, are unknown at this time.

Northlands Career College

Schedule of Revenue by Function

Year Ended June 30, 1989

Schedule 1

	General Administration				Community and Individual Development				Programming				Support Services				Totals
	Board	Administrative	Organizational	General Revenue	Adult Basic Education	On-the-Job Training	Vocational Technical	University Credit	Other	Career Services	Student Services	1989 Total (12 months)	1988 Total (6 months)				
Saskatchewan Education																	
Administrative recovery	\$	\$	\$	\$ 281,899	\$	\$	\$	\$	\$	\$	\$	\$ 281,899	\$ 171,448				
Flat Grant				859,860								859,860	425,715				
Program payments					589,706		1,232,458	84,228	570,566	19,069		3,874,076	2,012,494				
Other					1,182							1,182	38,510				
Total	\$	\$	\$	\$ 1,141,759	\$ 590,888	\$ 1,378,049	\$ 1,232,458	\$ 84,228	\$ 570,566	\$ 19,069	\$	\$ 5,017,017	\$ 2,648,167				
Federal Government																	
CJS seat purchases	\$	\$	\$	\$	\$ 188,286	\$	\$ 402,114	\$	\$	\$	\$	\$ 590,400	\$ 417,054				
CJS projects					7,967		319,671					327,638	184,781				
Other					11,635		303,562					315,197	87,756				
Total	\$	\$	\$	\$	\$ 196,253	\$	\$ 1,025,347	\$	\$	\$	\$	\$ 1,233,235	\$ 689,591				
Other																	
Administrative recovery	\$	\$	\$	\$ 382,821	\$ (186)	\$	\$ 198,578	\$	\$	\$	\$	\$ 581,213	\$ 95,646				
Contracts																	
Interest and dividends				68,127								68,127	17,963				
Rentals				166,629								166,629	42,738				
Resale items																	
Tuition				2,366	26,435		105,747	14,640				153,983					
Other				11,963	4,005							21,966	94,328				
Total	\$	\$	\$	\$ 631,806	\$ 10,813	\$ 30,274	\$ 304,325	\$ 14,640	\$	\$	\$	\$ 991,858	\$ 250,675				
Total Revenue	\$	\$	\$	\$ 1,773,565	\$ 613,336	\$ 1,604,576	\$ 2,562,130	\$ 98,868	\$ 570,566	\$ 19,069	\$	\$ 7,242,110	\$ 3,589,433				

Schedule of Expenditures by Function

Year Ended June 30, 1989

	General Administration				Community and Individual Development				Programming				Support Services				Totals
	Board	Administrative	Organizational	General Revenue	Adult Basic Education	On-the-Job Training	Vocational Technical	University Credit	Other	Career Services	Student Services	1989 Total (12 months)	1988 Total (6 months)				
Capital expenditures	\$	\$	\$	\$	\$ 13,683	\$ 15,506	\$ 23,767	\$	\$	\$	\$	\$ 136,354	\$ 5,695				
Leasehold improvements																	
Contractual and professional services																	
Rentals					264,271	92,982	1,164,472	30,418	3,816	1,331		1,633,661	840,987				
Repairs and maintenance					13,855	130,492	244,960	155	195,822	1,777		765,530	373,437				
Operating Schedule 3					247	33,852	36,968	1,223	13,357	343		164,944	40,846				
Personal services					194,556	233,331	346,160	10,079	105,880	796		1,247,078	745,140				
Total Expenditures	\$	\$	\$	\$ 679,562	\$ 1,027,000	\$ 1,604,576	\$ 2,562,131	\$ 98,867	\$ 570,566	\$ 19,069	\$	\$ 7,273,323	\$ 3,594,728				

Northlands Career College

Schedule of Operating Expenditure

Year Ended June 30, 1989

Schedule 3

	1989 (12 months)	1988 (6 months)
Advertising	\$ 34,157	\$ 17,261
Association fees and dues	6,402	1,937
Bank charges and interest	18,048	3,353
Computer software	1,643	.....
Conference fees	320	.....
Equipment purchases	1,711	882
Groceries	48,914	.....
Inservice training fees	18,974	5,383
Insurance	28,219	19,449
Licenses and taxes .....	.....	450
Materials and supplies	323,398	201,196
Other	15,949	54,045
Postage, freight and courier	14,778	7,189
Printing and duplicating	25,089	.....
Public relations	7,281	.....
Resale items	(17,759)	.....
Student travel	114,325	.....
Subscriptions	2,076	533
Telephone	81,092	87,775
Travel	378,528	261,280
Utilities	143,933	84,407
Total	<u>\$ 1,247,078</u>	<u>\$ 745,140</u>

North West Regional College

Auditors' Report

To the Board of Trustees
North West Regional College

We have examined the balance sheets of North West Regional College as at June 30, 1989, the statements of revenue and expenditures and changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the College as at June 30, 1989 and the results of its operations and changes in fund balances for the year then ended in accordance with the accounting principles described in Note 1 applied on a basis consistent with that of the preceding year.

North Battleford, Saskatchewan,
October 26, 1989.

Beggs, Downie, Meena, Johnson & Gress
Chartered Accountants.

Statement of Revenue and Expenditures

For the Year Ended June 30, 1989

	1989	1988
Revenue (Schedule 1)		
Saskatchewan Education	\$ 2,243,149	\$ 2,011,932
Federal government	290,255	351,565
Other	318,459	318,121
	<u>2,851,863</u>	<u>2,681,618</u>
Expenditures (Schedule 2)		
Capital expenditures	84,688	23,371
Leasehold improvements	5,935	11,832
Contractual and professional services	407,603	340,394
Rentals	194,328	194,031
Repairs and maintenance	19,926	18,613
Operating expenses (Schedule 3)	792,687	732,683
Personal services	1,379,418	1,327,651
	<u>2,884,585</u>	<u>2,648,575</u>
Excess of Expenditures over Revenues Before Transfers	(32,722)	33,043
Transfers (to) from reserves	2,000	(2,000)
Excess of Expenditures over Revenues	\$ (30,722)	\$ 31,043

North West Regional College

Balance Sheet

June 30, 1989

	1989			1988
	Operating Fund	Capital Fund	Total	Total
Assets				
Current				
Cash	\$ 3,895	— \$	3,895 \$	75,402
Accounts receivable	115,939	—	115,939	110,849
Prepaid expenses	4,111	—	4,111	3,948
Due from operating fund	—	—	—	3,285
	123,945	—	123,945	193,484
Capital Assets (Note 3)	— \$	260,163	260,163	173,187
Leasehold Improvements	—	17,767	17,767	11,832
	<u>\$ 123,945</u>	<u>\$ 277,930</u>	<u>\$ 401,875</u>	<u>\$ 378,503</u>
Liabilities and Fund Balance				
Current				
Accounts payable	\$ 43,908	— \$	43,908 \$	175
Accrued liabilities	4,500	—	4,500	4,500
Deferred income	3,100	—	3,100	4,282
Operating advances	6,162	—	6,162	78,960
Due to capital fund	—	—	—	3,285
Reserve for future expenditures	—	—	—	2,000
	57,670	—	57,670	93,202
Unappropriated Fund Balance	66,275 \$	277,930	344,205	285,301
	<u>\$ 123,945</u>	<u>\$ 277,930</u>	<u>\$ 401,875</u>	<u>\$ 378,503</u>

Statement of Changes in Fund Balance

For the Year Ended June 30, 1989

	1989			1988
	Operating Fund	Capital Fund	Total	Total
Fund Balance, Beginning of Year	\$ 96,997	\$ 188,304	\$ 285,301	\$ 244,424
Excess of expenditures over revenue	(30,722)	—	(30,722)	31,043
Contributions from operating fund	—	90,623	90,623	35,203
Loss on disposal of assets	—	(997)	(997)	(3,088)
Write down of capital assets	—	—	—	(22,281)
Fund Balance, End of Year	<u>\$ 66,275</u>	<u>\$ 277,930</u>	<u>\$ 344,205</u>	<u>\$ 285,301</u>

North West Regional College

Notes to the Financial Statements

For the year ended June 30, 1989

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following policies:

a) Fund Accounting

A fund is a separate set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity. The funds are:

i) Operating Fund

This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the college. Included in the operating fund are expenditures for the acquisition of assets.

ii) Capital Fund

This fund contains the capital assets of the college and equity in the capital assets.

b) Capital Assets

Acquisitions of capital assets are treated as an expenditure of the operating fund in the year of acquisition. The college uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the college in the year of disposal. In accordance with this stated policy, the college does not charge depreciation on its capital assets.

2. Leasehold Improvements

Leasehold improvements are accounted for in the same manner as the capital assets of the college.

3. Capital Assets

Capital assets are comprised of the following balances:

	1989	1988
Buildings	\$ 18,048	\$ —
Furniture and equipment	234,515	165,587
Vehicles	7,600	7,600
	<u>\$ 260,163</u>	<u>\$ 173,187</u>

North West Regional College

Schedule of Revenue By Function

For the year ended June 30, 1989

Schedule 1

	General Revenue	Programming				Support Services		Totals
		Community and Individual	Adult Basic Education	Vocational/ Technical	University	Career Services	Student Services	
Saskatchewan Education Administrative								
recovery	\$ 89,947	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 82,632
Flat grant	632,004	—	—	—	—	—	—	585,756
Program payments	—	7,636	741,431	275,251	—	74,339	422,202	1,341,704
Other	—	339	—	—	—	—	339	1,840
	721,951	7,975	741,431	275,251	—	74,339	422,202	2,011,932
Federal Government								
CJS seat purchases ...	42,240	43,097	153,214	25,117	—	—	—	206,087
CJS projects	—	26,587	—	—	—	—	—	145,478
	42,240	69,684	153,214	25,117	—	—	—	351,565
Other								
Administrative								
recovery	—	—	—	—	—	—	—	1,762
Contracts	—	13,543	—	12,024	—	—	—	51,632
Interest and dividends	6,824	—	—	—	—	—	—	3,834
Rents	20	819	—	—	—	—	—	839
Resale items	—	75	93	—	—	—	36,844	37,012
Tuition	20	72,570	6,917	55,332	83,105	—	66	16,366
Other	10,852	4,725	10,335	1,860	1,902	533	—	229,639
	17,716	91,732	17,345	69,216	85,007	533	36,910	14,683
Total Revenue	\$ 781,907	\$ 169,391	\$ 911,990	\$ 369,584	\$ 85,007	\$ 74,872	\$ 459,112	\$ 318,121
								\$ 2,681,618

Schedule of Expenditures By Function

For the year ended June 30, 1989

Schedule 2

	General Administration				Community and Individual			Programming		Support Services		Total
	Board	Adminis- trative	Organiza- tional		Adult Basic Education	Vocational/ Technical	University	Career Services	Student Services			
Capital expenditures	\$ —	\$ 11,158	\$ 39,235	\$ 29,906	\$ —	\$ 363	\$ —	\$ 4,026	\$ —	\$ 84,688	\$ 23,371	
Leasehold improvements	—	2,101	—	883	2,951	—	—	—	—	5,935	11,832	
Contractual and professional services	1,125	4,530	49,550	57,400	1,835	205,862	87,301	—	—	407,603	340,394	
Rentals	—	14,365	21,726	12,702	75,993	47,533	6,559	15,450	—	194,328	194,031	
Repairs and maintenance	—	3,616	9,609	1,154	3,211	75	—	2,261	—	19,926	18,613	
Operating expenses (Schedule 3)	18,262	36,128	87,381	37,511	102,727	33,673	5,102	14,078	457,825	792,687	732,683	
Personal services	15,400	152,554	278,649	46,560	713,384	75,620	302	96,949	—	1,379,418	1,327,651	
Total Expenditures	\$ 34,787	\$ 224,452	\$ 486,150	\$ 186,116	\$ 900,101	\$ 363,126	\$ 99,264	\$ 132,764	\$ 457,825	\$ 2,884,585	\$ 2,648,575	

North West Regional College

Schedule of Operating Expenditures

For the Year Ended June 30, 1989

Schedule 3

	1989	1988
Advertising	\$ 33,974	\$ 25,570
Association fees and dues	3,658	6,981
Bank charges and interest	684	936
Computer software	13,112	859
Equipment	13,884	5,100
In-service training fees	14,917	10,637
Insurance	5,236	4,513
Licences and taxes	1,272	565
Materials and supplies	110,160	86,777
Postage, freight and courier	13,074	9,667
Printing and duplicating	18,834	20,061
Resale items	24,831	5,594
Subscriptions	1,714	1,234
Telephone	41,826	33,114
Training allowances	422,011	443,976
Travel	64,900	65,363
Other	8,600	11,736
Total Operating Expenditures	<u>\$ 792,687</u>	<u>\$ 732,683</u>

Parkland Regional College

Auditors' Report

The Members of the Board,
Parkland Regional College,
Melville, Saskatchewan.

We have examined the operating fund balance sheet and the capital fund balance sheet of the Parkland Regional College as at June 30, 1989 and the statements of revenue and expenditures and changes in Fund Balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Parkland Regional College as at June 30, 1989 and the results of its operations and changes in fund balances for the year then ended in accordance with the accounting principles set out in the notes to the financial statements applied on a basis consistent with that of the preceding year.

Melville, Saskatchewan,
September 20, 1989.

Skilnick & Partners,
Chartered Accountants.

Statement of Revenue and Expenditures

For the Year Ended June 30, 1989

Statement 1

	1989 Total	1988 Total
Revenue		
Saskatchewan Education	\$ 2,265,861	\$ 1,953,214
Federal Government	407,713	404,011
Other	275,072	197,067
Subtotal	2,948,646	2,554,292
Yorkton Regional High School		
— Program surplus (deficit) — (Note 4)	(5,822)	(3,249)
Total	2,942,824	2,551,043
Expenditures		
Capital expenditures (Note 1)	3,875	11,806
Leasehold improvements (Note 2)	901	34,075
Contractual and professional services	1,051,638	893,203
Rentals	139,926	102,392
Repairs and maintenance	16,324	12,256
Operating expenses (Schedule 3)	612,772	467,980
Personal services	1,144,601	999,366
Total	2,970,037	2,521,078
Excess of Revenue over Expenditures (Expenditures over Revenue)		
before appropriation	(27,213)	29,965
Current year appropriation .....	.....	.....
Excess of Revenue over Expenditures (Expenditures over Revenue)	\$ (27,213)	\$ 29,965

See accompanying notes

Parkland Regional College

Balance Sheet

June 30, 1989

Statement 2

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Assets				
Current Assets				
Cash	\$	\$ 92,986	\$ 92,986	\$ 81,186
Accounts receivable (Note 5) .....	.....	95,744	95,744	132,317
Prepaid expenses .....	.....	4,566	4,566	6,709
Short-term investments .....	.....	10	10	10
Advance — Yorkton Regional High School (Note 4) .....	.....	52,205	52,205	58,027
		245,511	245,511	278,249
Capital Assets (Notes 1 and 3)	190,238	.....	190,238	186,363
Leasehold Improvements (Note 2)	130,534	.....	130,534	129,633
	<u>\$ 320,772</u>	<u>\$ 245,511</u>	<u>\$ 566,283</u>	<u>\$ 594,245</u>
Liabilities and Fund Balance				
Current Liabilities				
Accounts payable and accrued liabilities .....	.....	45,312	45,312	62,737
Deferred income .....	.....	73,919	73,919	62,019
		119,231	119,231	124,756
Total Liabilities .....	.....	119,231	119,231	124,756
Unappropriated Fund Balance (Notes 1 and 6)	320,772	126,280	447,052	469,489
Appropriated Fund Balance .....	.....	.....	.....	.....
	<u>320,772</u>	<u>126,280</u>	<u>447,052</u>	<u>469,489</u>
	<u>\$ 320,772</u>	<u>\$ 245,511</u>	<u>\$ 566,283</u>	<u>\$ 594,245</u>

See accompanying notes

Statement of Changes in Fund Balances

For the Year Ended June 30, 1989

Statement 3

	1989				1988
	Operating Fund				
	Capital Fund	Unappropriated	Appropriated	Total	Total
Fund balance, beginning of year	\$ 315,996	\$ 153,493	\$	\$ 469,489	\$ 410,269
Excess of revenue over expenditure .....	.....	(27,213)	.....	(27,213)	29,965
	315,996	126,280	.....	442,276	440,234
Purchase of capital assets and leasehold improvements	4,776	.....	.....	4,776	48,175
Disposal of capital assets .....	.....	.....	.....	.....	(18,920)
	4,776	.....	.....	4,776	29,255
Fund Balance, End of Year	\$ 320,772	\$ 126,280	\$	\$ 447,052	\$ 469,489

See accompanying notes

Parkland Regional College

Schedule 1

Schedule of Revenue By Function
For the Year Ended June 30, 1989

General Admin- istration	Programming						Support Services			Totals
	General Revenue	Community & Individual Development	Adult Basic Education	On-the-Job Training	Vocational Technical	University Credit	Other	Career Services	Student Services	
Saskatchewan Education										
Administrative Recovery	\$ 4,147	\$	\$	\$	\$	\$	\$	\$	\$	\$ 4,147
Flat Grant	664,164									664,164
Program Payments	98,849		605,753		642,643			88,501	156,169	1,591,915
Other			5,635							5,635
Total	\$ 767,160	\$	\$ 611,388	\$	\$ 642,643	\$	\$	\$ 88,501	\$ 156,169	\$ 2,265,861
Federal Government										
CJS Seat Purchases	\$ 51,949	\$	\$ 238,460	\$	\$ 75,834	\$	\$	\$	\$	\$ 366,243
CJS Projects	5,171				34,449					39,620
Other	1,850									1,850
Total	\$ 58,970	\$	\$ 238,460	\$	\$ 110,283	\$	\$	\$	\$	\$ 407,713
Other										
Administrative Recovery	\$ 4,663	\$	\$	\$	\$	\$	\$	\$	\$	\$ 4,663
Interest and Dividends	23,216									23,216
Rents	5,222				2,365					7,587
Resale Items			1,398		11,054					12,452
Tuition		55,168	7,997		98,111	64,498				225,774
Other	1,380									1,380
Total	\$ 34,481	\$ 55,168	\$ 9,395	\$	\$ 111,530	\$ 64,498	\$	\$	\$	\$ 275,072
Total Revenue	\$ 860,611	\$ 55,168	\$ 859,243	\$	\$ 864,456	\$ 64,498	\$	\$ 88,501	\$ 156,169	\$ 2,948,646
										\$ 2,554,292

See Accompanying Notes

Schedule of Expenditure By Function

For the Year Ended June 30, 1989

	General Administration				Programming				Support Services				Totals	
	Board	Adminis- trative	Organiza- tional	General Revenue	Community & Individual Development	Adult Basic Education	On-The-Job Training	Vocational Technical	University Credit	Other	Career Services	Student Services		
Capital Expenditures	\$	384	\$	2,860	\$									1988 Total
Leasehold Improvements		901												11,806
Contractual and Professional Services		9,386	6,492											34,075
Rentals		8,885	36,118			230,636		697,733	106,777		614			893,203
Repairs and Maintenance		6,565	8,157		31,919	26,538		25,622	5,113		5,731			102,392
Operating (Schedule 3)	14,231	22,704	106,598		130						1,472			16,324
Personal Services	13,585	130,045	324,038		13,569	171,186		100,692	4,086		23,537	156,169		612,772
					26,480			88,761	3,362		125,978			467,980
Total Expenditures	\$	27,816	\$	484,263	\$	72,098	\$	860,712	\$	912,808	\$	119,338	\$	2,521,078

See Accompanying Notes

Parkland Regional College

Schedule of Operating Expenditures

For the Year Ended June 30, 1989

Schedule 3

	1989 Total	1988 Total
Advertising	\$ 20,357	\$ 24,127
Association fees and dues	2,998	2,951
Bank charges and interest	648	848
Computer software .....	.....	1,031
Minor equipment purchases	637	517
Inservice training fees	4,624	3,539
Insurance	3,013	2,818
Licences and taxes	855	368
Materials and supplies	117,600	96,293
Postage, freight and courier	18,879	14,898
Printing and duplicating	7,890	1,065
Resale items .....	.....	5,729
Subscriptions	349	679
Telephone	48,918	51,332
Travel	105,674	81,566
Utilities	10,763	9,194
Other (NSIM)	269,567	171,025
Total	<u>\$ 612,772</u>	<u>\$ 467,980</u>

See accompanying notes

Notes to Financial Statements

For the Year Ended June 30, 1989.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following policies:

Fund Accounting:

A fund is a separate self-balancing set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity. These funds are:

Operating Fund

This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the college. Included in the operating fund are expenditures for the acquisition of capital assets.

Capital Fund

This fund contains the capital assets of the college and the equity in the capital assets.

Capital Assets:

Acquisitions of capital assets are treated as an expenditure of the operating fund in the year of acquisition. The college uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the college in the year of disposal. In accordance with this stated accounting policy, the college does not charge depreciation on its capital assets.

2. Leasehold Improvements

Leasehold improvements are accounted for in the same manner as the capital assets of the college.

3. Capital Assets

Capital assets are comprised of the following balances:

	1989	1988
Buildings	\$	\$
Equipment	153,228	149,353
Vehicles	37,010	37,010
Land .....	.....	.....
	<u>190,238</u>	<u>186,363</u>

Parkland Regional College

4. Adult Education Agreement

The College and Yorkton Regional High School are parties to an agreement covering the provision of adult education classes through the facilities of the school. Terms of the agreement provide that course program and administration is the responsibility of the school. Financial responsibility for the program offered is provided by the College supported by funding from Saskatchewan Education. Under the terms of the agreement deficits are the responsibility of the College.

Summarized results of operations for the current and prior year are set out below:

	1989	1988
Grants earned from Saskatchewan Education	712,946	647,004
Less: Net expenditures by Yorkton Regional High School	718,768	650,253
Surplus (Deficit) for the year — to Statement 1	(5,822)	(3,249)

5. Line of Credit Agreement

The College has an established line of credit up to \$250,000 with the Royal Bank of Canada, Melville, Saskatchewan. Security for advances under the agreement consists of an assignment of grant proceeds due from Saskatchewan Education.

6. Lease Agreements

The College is obligated under the following lease agreements.

Instructional Facilities:

- Central School, Fort Qu'Appelle, Saskatchewan, under a ten year lease expiring May 31, 1998.
- Burke School, Yorkton, Saskatchewan, under a five year lease expiring December 31, 1992.

The above agreements cover use of school buildings and grounds with annual rental at \$1. for each school. Terms provide for the College to pay annual operating costs and to be responsible for minor renovations. Each of the agreements contains an option to renew at the end of the initial lease term.

Offices:

- Administration office and classrooms in the Town and Country Mall in Melville, Saskatchewan, under a five year lease expiring May 31, 1993. Terms of the lease provide for monthly rental of \$2,261, plus additional charges for shared common costs.
- Branch office, Esterhazy, Saskatchewan, under a one year agreement expiring March 31, 1990. Terms of lease provide for monthly rental of \$250. The lease also provides for a renewal option.
- Branch office, Canora, Saskatchewan, located in the Canora Mall under a two year lease expiring August 31, 1990. Terms of the lease provide for monthly rental of \$542.
- Office and Activity Centre, Abernethy, Saskatchewan, located in the Village office under a one year lease expiring September 30, 1989. Terms of the lease provide for semi-annual rental of \$1,800.

Equipment:

- Xerox Canada covering a photocopier leased until February 28, 1991. Terms of the lease call for annual rental payments of \$907.
- Xerox Canada covering a photocopier leased until September 1991. Terms of the lease call for semi-annual rental payments of \$5,211.
- Xerox Canada covering a photocopier leased until May 1991. Terms of the lease call for quarterly rental payments of \$558.
- Xerox Canada covering office equipment leased until August 1989. Terms of the lease call for quarterly payments of \$461.
- Canada Systems Group — three year license to use choices occupations computer programs until October 1990. Terms of the licensing arrangement call for the first annual payment of \$1,105. on October 1, 1987. The second and third payments each for \$1,105. fall due October 1, 1988 and October 1, 1989.

Prairie West Regional College

Auditor's Report

To the Members of the Board
of the Prairie West Regional College

We have examined the balance sheet of the Prairie West Regional College as at June 30, 1989 and the statements of revenue and expenditures, surplus and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the college as at June 30, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting principles as described in Note 1 to the financial statements, after giving retroactive effect to the change in the method for accounting for fixed assets as described in Note 5, on a basis consistent with that of the preceding year.

Rosetown, Saskatchewan,
October 24, 1989.

Gilchrist & Co.
Certified Management Accountants.

Balance Sheet

June 30, 1989

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Assets				
Current assets:				
Cash	\$ 4,916	\$ 145,160	\$ 150,076	\$ 128,105
Accounts receivable	—	108,896	108,896	99,110
Prepaid expenses	—	14,332	14,332	5,520
Short-term investments	—	—	—	—
Inventory	—	—	—	—
Deferred charges	—	—	—	—
Due from capital fund	—	—	—	—
	4,916	268,388	273,304	232,735
Capital assets (note 3)	145,265	—	145,265	108,440
Leasehold improvements	11,366	—	11,366	—
	<u>\$ 161,547</u>	<u>\$ 268,388</u>	<u>\$ 429,935</u>	<u>\$ 341,175</u>

Liabilities and Fund Balance

Current liabilities:

Accounts payable and accrued liabilities	\$ —	\$ 59,341	\$ 59,341	\$ 28,107
Deferred income	—	46,667	46,667	—
Bank overdraft	—	—	—	—
Short-term debt	—	—	—	—
Current portion of long-term debt	—	—	—	—
Deposits	—	—	—	—
Due to operating fund	—	—	—	—
	—	106,008	106,008	28,107
Long-term debt	—	—	—	—
Unappropriated Fund Balance	—	162,380	162,380	200,016
Appropriated fund balance	161,547	—	161,547	113,052
	<u>161,547</u>	<u>162,380</u>	<u>323,927</u>	<u>313,068</u>
	<u>\$ 161,547</u>	<u>\$ 268,388</u>	<u>\$ 429,935</u>	<u>\$ 341,175</u>

Prairie West Regional College

Statement of Revenue and Expenditure

For the year ended June 30, 1989

	1989	1988
Revenue:		
Saskatchewan Education	\$ 1,143,788	\$ 988,201
Federal government	67,419	3,700
Other	271,542	120,348
Total	1,482,749	1,112,249
Expenditures:		
Capital expenditures	36,825	8,698
Leasehold improvements	11,366	—
Contractual and professional services	97,203	52,338
Rentals	154,299	98,759
Repairs and maintenance	11,595	11,010
Operating expenses (Schedule 3)	370,553	233,745
Personal services	803,849	584,866
Total	1,485,690	989,416
Excess of revenue over expenditures before appropriation and extraordinary item	(2,941)	122,833
Current year appropriation	—	—
Excess of revenue over expenditures before extraordinary item	(2,941)	122,833
Extraordinary item:		
Revenue adjustment (note 4)	(34,695)	—
Excess of revenue over expenditures	<u>\$ (37,636)</u>	<u>122,833</u>

Statement of Changes in Fund Balances

For the year ended June 30, 1989

	1989			1988
	Operating Fund			
	Capital Fund	Unappropriated	Appropriated	Total
Fund balance at beginning of year	\$ 174,338	\$ 200,016	\$ —	\$ 374,354
Adjustment to prior year's depreciation	—	—	—	85,080
Adjustment to prior years' capital assets (note 5) ...	(61,286)	—	—	(61,286)
Fund balance at beginning of year as restated	113,052	200,016	—	313,068
Excess of revenue over expenditures	304	(37,636)	—	(37,332)
	113,356	162,380	—	275,736
Purchase of capital assets	48,191	—	—	48,191
Disposal of capital assets	—	—	—	—
Fund balance at end of year	<u>\$ 161,547</u>	<u>\$ 162,380</u>	<u>\$ —</u>	<u>\$ 323,927</u>
				<u>374,354</u>

Prairie West Regional College

Notes to the Financial Statements

For the year ended June 30, 1989

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following policies:

Fund Accounting:

A fund is a separate self-balancing set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity.

Operating Fund

This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the college. Included in the operating fund are expenditures for the acquisition of capital assets.

Capital Fund

This fund contains the capital assets of the college and the equity in the capital assets.

Capital Assets:

Acquisitions and transfers of capital assets are treated as an expenditure of the operating fund in the year of acquisition and transfer. The college uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the college in the year of disposal. In accordance with this stated accounting policy, the college does not charge depreciation on its capital assets.

2. Leasehold Improvements

Leasehold improvements are accounted for in the same manner as the capital assets of the college.

3. Capital Funds

Capital assets are comprised of the following balances:

	1989	1988
Buildings	\$ 1,147	\$ —
Equipment	144,118	108,440
Vehicles	—	—
	<u>145,265</u>	<u>108,440</u>
Land	—	—
	<u>\$ 145,265</u>	<u>\$ 108,440</u>

4. Extraordinary Item

Due to an error in accounting for sponsored programs during the year ended June 30, 1988, the college was overpaid by the amount of \$34,695. The college was required to reimburse this amount to Saskatchewan Education during the year ended June 30, 1989.

5. Change in Accounting Policy

Due to a change in accounting policy, fixed assets are not capitalized unless the cost exceeds \$500. The college has applied this accounting change retroactively whereby fixed assets costing less than \$500 have been deleted from the capital fund fixed assets. The effect of the change results in a decrease of the capital fund fixed assets and capital fund surplus by \$61,286. The comparative figures for 1988 have been restated to reflect this change.

6. Subsequent Event

Subsequent to the date of the financial statements, the college purchased the building and land previously leased as an office building for a consideration of \$148,000.

7. Comparative Figures

Certain of the comparative figures for 1988 have been restated in order to facilitate comparison with 1989.

Prairie West Regional College

Schedule of Revenue by Function

For the year ended June 30, 1989

Function		Schedule 1	
989	General Administration	Programming	Totals

Saskatchewan Education:													
Administrative Recovery	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 25,003	\$ —	\$ 31,224	\$ —	\$ —	\$ 844	\$ 57,071	\$ 65,958
Fiat grant	—	—	—	576,732	—	—	—	—	—	—	—	576,732	539,916
Program payments	—	—	—	—	—	191,883	—	257,811	—	—	60,291	449,694	379,327
Other	—	—	—	—	—	—	—	—	—	—	—	60,291	3,000
Totals	—	—	—	576,732	—	216,886	—	289,035	—	—	61,135	1,143,788	988,201
Federal Government:													
CJS seat purchases	—	—	—	—	—	2,064	—	—	—	—	—	2,064	700
CJS projects	—	—	—	—	—	40,222	25,133	—	—	—	—	65,355	3,000
Other	—	—	—	—	—	42,286	25,133	—	—	—	—	67,419	3,700
Totals	—	—	—	—	—	—	—	—	—	—	—	—	—
Other:													
Administrative recovery	—	—	—	—	—	—	—	—	—	—	—	—	—
Contracts	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest and dividends	—	—	—	17,659	—	—	—	—	—	—	—	17,659	9,263
Rents	—	—	—	2,080	2,342	190	—	—	—	—	—	4,612	8,104
Resale items	—	—	—	410	26,374	15	—	14,146	477	650	—	42,072	18,085
Tuition	—	—	—	—	92,324	750	—	58,082	21,075	—	—	172,231	75,349
Other	—	—	—	33,352	1,616	—	—	—	—	—	—	34,968	9,547
Totals	—	—	—	53,501	122,656	955	—	72,228	21,552	650	—	271,542	120,348
Total revenue	\$ —	\$ —	\$ —	\$ 630,233	\$ 122,656	\$ 260,127	\$ 25,133	\$ 361,263	\$ 21,552	\$ 650	\$ 61,135	\$ 1,482,749	\$ 1,112,249

Schedule of Expenditures by Function

For the year ended June 30, 1989

es by Function		Schedule 2	
989		Totals	
General Administration		Support Services	
Programming			

Capital expenditures	\$ —	\$ 17,002	\$ 19,823	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 36,825	\$ 8,698
Leasehold improvements	—	—	11,366	—	—	—	—	—	—	—	—	11,366	—
Contractual and professional services	—	7,765	1,717	—	26,104	21,107	—	3,916	34,761	1,833	—	97,203	52,338
Rentals	—	9,312	30,411	—	28,254	32,618	2,055	38,777	5,709	7,163	—	154,299	98,759
Repairs and maintenance	—	3,963	5,155	—	—	622	—	1,775	80	—	—	11,595	11,010
Operating (Schedule 3)	20,540	30,557	62,902	—	36,223	55,263	10,154	74,989	8,855	11,003	60,067	370,553	233,745
Personal services	11,320	128,277	210,351	—	42,723	177,717	12,895	220,266	75	225	—	803,849	584,866
Total expenditures	\$ 31,860	\$ 196,876	\$ 341,725	\$ —	\$ 133,304	\$ 287,327	\$ 25,104	\$ 339,723	\$ 49,480	\$ 20,224	\$ 60,067	\$ 1,485,690	\$ 989,416

Prairie West Regional College

Schedule of Operating Expenditures

For the year ended June 30, 1989

Schedule 3

	1989	1988
Advertising	\$ 24,291	\$ 27,310
Association fees and dues	3,392	7,613
Bad debts	210	—
Bank charges and interest	7	—
Computer software	—	—
Equipment purchases (u. \$500)	19,412	1,491
In-service and conference fees	8,648	11,967
Insurance	4,150	4,035
Licenses and taxes	—	—
Materials and supplies	58,072	54,183
Postage, freight and courier	13,054	10,873
Printing and duplicating	11,849	6,368
Resale items	38,826	16,121
Subscriptions	1,021	739
Telephone	51,854	35,014
Travel	57,170	38,479
Utilities	3,730	2,417
Other	74,867	17,135
	<u>\$ 370,553</u>	<u>\$ 233,745</u>

Saskatchewan Indian Regional College

Auditor's Report

To the Board of Governors of the
Saskatchewan Indian Regional College

We have examined the balance sheet of the Saskatchewan Indian Regional College, now operating as the Saskatchewan Indian Institute of Technologies, as at June 30, 1989 and the statements of operations and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the College as at June 30, 1989 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Saskatoon, Saskatchewan,
September 13, 1989.

Price Waterhouse
Chartered Accountants

Balance Sheet

	June 30	
	1989	1988
Assets		
Current assets:		
Bank	\$ 340,848	\$ 52,455
Guaranteed investment certificate (Note 2)	164,143	149,064
Accounts receivable (Note 3)	177,396	767,733
Prepaid expenses	26,590	38,256
	708,977	1,007,508
Fixed assets (Notes 1 and 4)	698,282	882,113
	<u>\$ 1,407,259</u>	<u>\$ 1,889,621</u>
Liabilities		
Current liabilities:		
Accounts payable (Note 5)	\$ 551,037	\$ 878,725
Deferred revenue (Notes 1 and 6)	84,826	98,806
	635,863	977,531
Equity		
Equity in fixed assets (Note 1)	698,282	882,113
Surplus	73,114	29,977
	771,396	912,090
	<u>\$ 1,407,259</u>	<u>\$ 1,889,621</u>

Saskatchewan Indian Regional College (Operating as the Saskatchewan Indian Institute of Technologies)

Statement of Operations

	Year ended June 30	
	1989	1988
Revenue:		
Institutional training and operations	\$ 4,717,591	\$ 4,759,560
Special programs	895,941	771,924
Band programs and Canadian Jobs Strategy	69,806	159,695
Other	40,228	23,605
	<u>5,723,566</u>	<u>5,714,784</u>
Expenditures:		
Administration	1,538,006	1,614,711
Courses	3,179,585	3,144,836
Special programs	893,032	780,191
Band programs and Canadian Jobs Strategy	69,806	159,695
	<u>5,680,429</u>	<u>5,699,433</u>
Surplus from operations	<u>\$ 43,137</u>	<u>\$ 15,351</u>

Statement of Surplus

	Year ended June 30	
	1989	1988
Surplus at beginning of year	\$ 29,977	\$ 14,626
Surplus from operations	43,137	15,351
Surplus at end of year	<u>\$ 73,114</u>	<u>\$ 29,977</u>

Notes to the Financial Statements

June 30, 1989

1. Accounting principles and policies:

The College's financial statements have been prepared in accordance with generally accepted accounting principles with significant policies as follows:

Fixed assets and depreciation —

Fixed assets are recorded at cost and are purchased out of revenue funds for the year. The College's equity in fixed assets results from a double entry made at the time of the purchase of an asset. The purchase is recorded both as an expenditure, affecting the calculation of surplus, and as an asset. The equity in fixed assets represents the amount of asset purchases which have been recorded less accumulated depreciation.

The depreciation charges lower the book value of the assets and decrease the equity in fixed assets.

Depreciation charges are based on estimated useful lives of the assets, and are calculated using the following methods and rates:

Assets (Note 4)	Depreciation Method	Rate/Term
Automotive equipment	Declining balance	30%
Furniture and equipment	Declining balance	20%
Leasehold improvements	Declining balance	20%
Computer software	Declining balance	20%
Skills Growth Fund		
Equipment	Straight line	5 years
Leasehold improvements	Straight line	5 years

Upon disposition of an asset, the proceeds are credited to the program or funding agency to which the original purchase was charged. No gain or loss on sale is recorded. The original cost of the asset and accumulated depreciation are removed from the accounts.

Statement of changes in financial position —

This statement has not been included on the basis that it does not provide any information additional to that disclosed in the balance sheet and statement of operations.

Saskatchewan Indian Regional College (Operating as the Saskatchewan Indian Institute of Technologies)

Deferred revenue —

Deferred revenue arises when funding received from various agencies is to be applied against program expenditures made subsequent to the date of the fiscal year end.

2. Line of Credit:

A guaranteed investment certificate of \$164,143 is used as collateral for a line of credit which was not used at June 30, 1989.

3. Accounts receivable:

Accounts receivable at June 30 consists of the following —

	1989	1988
Indian and Northern Affairs Canada	\$ 27,302	\$ 496,363
Health and Welfare Canada	21,770	15,587
Employment and Immigration Canada	1,240	.....
Saskatchewan Indian Training Assessment Group	11,383	16,269
Federation of Saskatchewan Indian Nations, Inc.	21,310	45,551
Miscellaneous	95,573	94,134
Staff Advances	3,135	5,472
All Nations Institute of Technology	5,612	.....
Saskatchewan Indian Languages Program	798	.....
Toronto Dominion Bank .....	.....	100,000
	188,123	773,376
Less: Allowance for doubtful accounts	10,727	5,643
	<u>\$ 177,396</u>	<u>\$ 767,733</u>

4. Fixed Assets:

Fixed assets consist of —

	1989	1988
Automotive equipment	\$ 213,436	\$ 216,717
Furniture	102,980	97,435
Furniture and fixtures —		
Prince Albert Business College	90,773	82,196
Equipment	793,040	737,543
Leasehold improvements	206,098	186,526
Computer software	42,432	35,607
Equipment — Skills Growth Fund	368,952	368,952
Leasehold improvements — Skills Growth Fund	314,427	314,427
	2,132,138	2,039,403
Less: Accumulated depreciation	1,433,856	1,157,290
Net book value	<u>\$ 698,282</u>	<u>\$ 882,113</u>

5. Accounts payable:

Accounts payable at June 30 consists of the following —

	1989	1988
Trade payables and accrued liabilities	\$ 508,867	\$ 839,921
Federation of Saskatchewan Indian Nations, Inc.	39,793	38,804
Saskatchewan Indian Cultural Centre	997	.....
Saskatchewan Indian Federated College	1,380	.....
	<u>\$ 551,037</u>	<u>\$ 878,725</u>

Saskatchewan Indian Regional College (Operating as the Saskatchewan Indian Institute of Technologies)

6. Deferred Revenue:

The following program revenues are to be applied against program expenditures made subsequent to June 30, 1989 —

	1989	1988
External Review Project		
(Indian and Northern Affairs Canada)	\$ 30,000	\$
Firefighter Training		
(Indian and Northern Affairs Canada)	8,000	31,149
Entrepreneurship Training		
(Indian and Northern Affairs Canada)	20,940	.....
(Native Economic Development Program) .....	.....	22,386
Saskatchewan Indian Veterans Association Program		
(Indian and Northern Affairs Canada)	8,035	.....
Interpersonal Communications/ School Board Training		
(Indian and Northern Affairs Canada)	17,851	.....
Saskatchewan Indian Training Assessment Group .....	.....	40,561
Sweetgrass Band Programs .....	.....	4,710
	<u>\$ 84,826</u>	<u>\$ 98,806</u>

7. Lease obligations:

The College has commitments under operating leases as follows —

1990	\$	131,795
1991		19,562
1992		16,758
1993		25,050
1994		25,050
	<u>\$</u>	<u>218,215</u>

8. Related party transactions:

Related parties to the College include the Federation of Saskatchewan Indian Nations, Inc. (FSIN), the Saskatchewan Indian Cultural Centre, the Saskatchewan Indian Federated College, and the Saskatchewan Indian Training Assessment Group (SITAG).

9. Comparative figures:

Certain of the 1988 comparative figures have been restated to conform with 1989 financial statement presentation. Approximately \$63,000 of revenues and expenditures applicable to SITAG administration has been removed from the 1988 comparative figures. This adjustment has no impact on net surplus.

Southeast Regional College

Auditors' Report

To the Board of Directors
Southeast Regional College

We have examined the balance sheet of the Southeast Regional College as at June 30, 1989 and the statements of revenue and expenditure, and changes in fund balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these statements present fairly the financial position of the Southeast Regional College as at June 30, 1989 and the results of its operations for the year then ended in accordance with generally accepted accounting principles prescribed by the Regional Colleges Act as outlined in note 1, applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
August 1, 1989.

E.J.C. Dudley & Co.
Chartered Accountants.

Balance Sheet

As at June 30, 1989

	1989			1988
	Capital Fund	Operating Fund	Total	Total
Assets				
Current Assets				
Cash	\$	\$ 461,075	\$ 461,075	\$ 289,232
Accounts receivable .....	.....	35,051	35,051	76,914
Prepaid expenses .....	.....	2,535	2,535	8,248
Inventory — note 3 .....	.....	32,973	32,973	25,206
	.....	531,634	531,634	399,600
Capital assets — notes 1(b), 2	273,564	.....	273,564	229,632
Leasehold improvements — note 1(c)	7,984	.....	7,984	.....
	<u>\$ 281,548</u>	<u>\$ 531,634</u>	<u>\$ 813,182</u>	<u>\$ 629,232</u>
Liabilities and Fund Balance				
Current Liabilities				
Accounts payable and accrued liabilities	\$	\$ 63,425	\$ 63,425	\$ 68,076
Deferred income	\$	9,322	9,322	2,175
	<u>\$</u>	<u>72,747</u>	<u>72,747</u>	<u>70,251</u>
Unappropriated Fund Balance .....	.....	458,887	458,887	329,349
Appropriated Fund Balance	281,548	.....	281,548	229,632
	<u>281,548</u>	<u>458,887</u>	<u>740,435</u>	<u>558,981</u>
	<u>\$ 281,548</u>	<u>\$ 531,634</u>	<u>\$ 813,182</u>	<u>\$ 629,232</u>

Southeast Regional College

Statement of Revenue and Expenditure

For the Year Ended June 30, 1989

	1989	1988
Revenue		
Saskatchewan Education	\$ 2,061,845	\$ 1,663,515
Federal government	180,825	135,984
Other	525,579	341,772
Total	\$ 2,768,249	\$ 2,141,271
Expenditures		
Capital expenditures	\$ 51,932	\$ 42,082
Leasehold improvements	7,984	—
Contractual and professional services	868,169	485,277
Rentals	230,802	178,341
Repairs and maintenance	11,334	8,347
Operating expenses	539,188	391,891
Personal services	929,302	861,375
Total	2,638,711	1,967,313
Excess of revenue over expenditure before appropriation	129,538	173,958
Current year appropriation	—	—
Excess of Revenue Over Expenditures	\$ 129,538	\$ 173,958

Statement of Changes in Fund Balances

For the year ended June 30, 1989

	1989			1988
	Capital Fund	Unappropriated	Total	Total
Fund Balance — beginning of year	\$ 235,632	\$ 360,315	\$ 595,947	\$ 349,396
Prior period adjustment — note 4	(6,000)	(30,966)	(36,966)	(455)
Restated, beginning of year	229,632	329,349	558,981	—
Excess of revenue over expenditure	—	129,538	129,538	173,958
	229,632	458,887	688,519	522,899
Purchase of capital assets	59,916	—	59,916	42,082
Disposal of capital assets	(8,000)	—	(8,000)	(6,000)
Fund Balance — end of year	\$281,548	\$458,887	\$740,435	\$558,981

Southeast Regional College

Schedule of Revenue By Function

For the year ended June 30, 1989

	General Administration		Programming					Support Services		Totals
	General Revenue	Community Individual Development	Adult Basic Education	Vocational Technical	University Credit	Career Sources	Student Services			
Saskatchewan Education										
Administration										
recovery	\$ 55,366	\$ —	\$ —	\$ —	\$ —	\$ —	1,376	\$ 56,742	\$ 85,682	
Flat grant	804,588	—	—	—	—	—	—	804,588	733,566	
Program payment	14,889	—	354,222	689,320	—	—	—	1,058,431	720,588	
Other	35,000	8,298	—	—	—	—	98,786	142,084	123,679	
Total	\$ 909,843	\$ 8,298	\$ 354,222	\$ 689,320	\$ —	\$ —	\$ 100,162	\$ 2,061,845	\$ 1,663,515	
Federal Government										
CJS seat purchase	\$ —	\$ —	\$ 46,300	\$ 36,254	\$ —	\$ —	\$ —	\$ 82,554	\$ 44,870	
CJS projects	—	—	—	89,687	—	—	—	89,687	85,995	
Other	8,584	—	—	—	—	—	—	8,584	5,119	
Total	\$ 8,584	\$ —	\$ 46,300	\$ 125,941	\$ —	\$ —	\$ —	\$ 180,825	\$ 135,984	
Other										
Administration										
recovery	\$ 362	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 362	\$ 8,521	
Contracts	—	—	—	5,390	(612)	—	—	4,778	13,215	
Interest and dividends	49,051	—	—	—	—	—	—	49,051	13,885	
Rental income	12,132	927	—	87	—	—	—	13,146	6,882	
Resale items	395	12,291	961	47,506	—	245	—	61,398	35,536	
Tuition	—	187,726	18,681	113,599	23,450	4,100	(565)	346,991	239,476	
Other	42,052	488	133	2,100	4,500	580	—	49,853	24,257	
Total	\$ 103,992	\$ 201,432	\$ 19,775	\$ 168,682	\$ 27,338	\$ 4,925	\$ (565)	\$ 525,579	\$ 341,772	
Total Revenue	\$ 1,022,419	\$ 209,730	\$ 420,297	\$ 983,943	\$ 27,338	\$ 4,925	\$ 99,597	\$ 2,768,249	\$ 2,141,271	

Schedule of Expenditure By Function

For the year ended June 30, 1989

	General Administration			Community Individual Development			Programming			Support Services		Totals
	Board	Admin- istrative	Organi- zational	Adult Basic Education	Vocational Technical	University Credit	Career Service	Student Services	1989	1988		
Capital expenditure	\$ —	\$ 4,939	\$ 34,684	\$ —	\$ 12,309	\$ —	\$ —	\$ —	\$ 51,932	\$ 42,082	\$ —	
Leasehold improvements	—	7,984	—	—	—	—	—	—	7,984	—	—	
Contractual and professional services	2,388	18,044	4,750	19,061	702,059	26,850	2,350	—	868,169	485,277	—	
Rental	—	29,614	42,974	34,265	104,630	5,028	3,509	—	230,802	178,341	—	
Repairs and maintenance	—	1,454	4,458	1,276	4,126	40	—	—	11,334	8,347	—	
Operating (schedule 3)	17,333	82,322	98,609	54,701	131,113	9,485	8,010	98,282	539,188	391,891	—	
Personal services	18,849	164,151	333,247	294,178	84,350	5,586	28,579	—	929,302	861,375	—	
Total Expenditures	\$ 38,570	\$ 311,508	\$ 515,702	\$ 143,144	\$ 1,026,278	\$ 46,989	\$ 42,448	\$ 98,282	\$ 2,638,711	\$ 1,967,313	—	

Southeast Regional College

Schedule of Operating Expenditures

For the year ended June 30, 1989

	1989	1988
Advertising	\$ 58,514	\$ 32,261
Association fees and dues	3,161	3,054
Bank charges and interest	—	23
Computer software	5,988	2,269
Equipment purchases (u. \$500)	13,797	10,932
Inservice and conference fees	12,689	12,208
Insurance	3,528	2,813
Licences and taxes	4,306	964
Materials and supplies	62,488	46,939
Postage, freight and courier	22,465	14,421
Printing and duplicating	19,700	8,405
Resale items	75,843	34,700
Subscriptions	2,407	5,146
Telephones	60,087	47,677
Travel	75,917	62,434
Utilities	15,784	9,483
Student allowance	97,740	93,638
Other	4,774	4,524
Total Operating Expenditures	<u>\$ 539,188</u>	<u>\$ 391,891</u>

Notes to the Financial Statements

For the year ended June 30, 1989

1. Significant Accounting Policies

These financial statements have been prepared in accordance with the accounting policies contained in the Regional Colleges Accounting and Reporting Manual, and reflect the following principles:

a) Fund Accounting

A fund is a separate self-balancing set of accounts provided for each accounting entity established within the accounting system to segregate the transactions of a particular activity. These funds are:

Operating Fund

This fund contains the current revenue, expenditures, assets and liabilities pertaining to the general activities of the college. Included in operating fund are expenditures for the acquisition of capital assets.

Capital Fund

This fund contains the capital assets of the college and the equity in capital assets.

b) Capital Assets

Acquisitions and transfers of capital assets are treated as an expenditure of the operating fund in the year of acquisition and transfer. The college uses a capital fund in order to maintain accountability for these capital assets. The fund balance is reduced by the original cost of assets that are disposed of by the college in the year of disposal. In accordance with this stated accounting policy, the college does not charge depreciation on its capital assets.

c) Leasehold Improvements

Leasehold improvements are accounted for in the same manner as the capital assets of the college.

2. Capital Assets

Capital assets are comprised of the following balances:

Office equipment	\$ 244,878
Computer library	28,686
Total Cost	<u>\$ 273,564</u>

3. Inventory

Inventory is valued at cost.

4. Prior Period Adjustment

The prior period adjustment is the result of the following items:

- Musical organs of \$6,000 were disposed of in 1988 and not recorded as a disposition of capital assets. This decreases the opening balance in the capital fund by \$6,000 to \$229,632 from \$235,632. This also reduces capital assets to \$229,632 from \$235,632.

Southeast Regional College

- b) As a result of the regional colleges and the technical institutes being amalgamated in 1988, interfacility program payments were not reconciled with the department. As a result, reconciliations of program payments were made subsequent to the June 30, 1988 year end and differences totalling \$18,820 were billed to the college for overpayments. This reduces 1988 program payment by \$18,820 to \$720,588 from \$733,566 and total Saskatchewan Education Revenue to \$1,663,515 from \$1,682,335. Also, reconciliations were not prepared for Canada Employment and Immigration programs until after year June 30, 1988. Differences totalling \$12,146 were billed to the College for overpayments. This reduces 1988 rent CJS seat purchase by \$12,146 to \$44,870 from \$57,016 and total Federal Government Revenue to \$135,984 from \$148,130.

The combined adjustment of \$30,966 reduces the excess of revenues over expenditures to \$173,958 from \$204,924. Accounts payable increased to \$68,076 from \$37,110.

5. **Comparative Figures**

The comparative figures were audited by another auditor. Certain comparative figures have been changed to reflect the current financial statement format.

Public Employees Dental Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Public Employees Dental Fund as at December 31, 1987 and the statements of revenue, expenses and fund balance and changes in cash resources for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations and changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
January 12, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

As at December 31

Statement 1

	1987	1986
Assets		
Cash	\$ 39,539	\$ 116,105
Short-term investments (cost approximates market value)	4,069,949	4,485,096
Accounts receivable	28,825	327,711
Total Assets	\$ 4,138,313	\$ 4,928,912
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 23,191	\$ 8,072
Unpaid claims	243,328	216,245
	266,519	224,317
Fund balance (Statement 2) (Note 5)	3,871,794	4,704,595
Total liabilities and fund balance	\$ 4,138,313	\$ 4,928,912

(See accompanying notes)

Statement of Revenue, Expenses and Fund Balance

Year Ended December 31

Statement 2

	1987	1986
Revenue:		
Premiums (Note 5)	\$ 1,744,014	\$ 3,712,546
Interest	408,023	361,066
Other	3,441	3,902
	2,155,478	4,077,514
Expenses:		
Adjudication fees	143,068	108,399
Claims incurred	2,845,211	2,384,645
	2,988,279	2,493,044
Excess of revenue over expenses (expenses over revenue)	(832,801)	1,584,470
Fund balance, beginning of year	4,704,595	3,120,125
Fund balance, end of year (Statement 1)	\$ 3,871,794	\$ 4,704,595

(See accompanying notes)

Public Employees Dental Fund

Statement of Changes in Cash Resources

Statement 3

Year Ended December 31

	1987	1986
Cash provided by (used in):		
Operating Activities		
Premiums received	\$ 2,026,122	\$ 3,603,274
Investment income received	430,412	337,019
Other income received	3,441	6,423
Claims paid	(2,819,633)	(2,341,080)
Adjudication fees paid	(132,055)	(124,691)
Net (decrease) increase in cash position	(491,713)	1,480,945
Cash position, beginning of year	4,601,201	3,120,256
Cash position, end of year	<u>\$ 4,109,488</u>	<u>\$ 4,601,201</u>
Represented by:		
Cash	\$ 39,539	\$ 116,105
Short-term investments	4,069,949	4,485,096
	<u>\$ 4,109,488</u>	<u>\$ 4,601,201</u>

(See accompanying notes)

Notes to the Financial Statements

December 31, 1987

1. Description of the Fund

The Public Employees Dental Fund is used to account for the transactions of the Public Employees Dental Plan. This plan, which came into effect February 1, 1982, was established under the provisions of Section 31(2) of The Department of Revenue and Financial Services Act (now The Revenue and Financial Services Act). The Plan is designed to promote good dental health among plan members by reducing the members' costs for preventive, routine and major dental services.

Claims are adjudicated and processed for payment by The Canada Life Assurance Company.

2. Significant Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting.

b) Unpaid Claims

The provision for unpaid claims represents a provision for the cost of claims reported but not paid prior to year end and an estimate of claims incurred but not reported based upon the claims settlement experience.

c) Investments

Investments are recorded at cost.

3. Fund Balance

Fund balance represents the accumulated premiums and investment earnings reduced by claim payments and adjudication fees. The fund balance, together with future premiums and investment earnings, is available to provide for the payment of claims to plan members.

4. Related Party Transactions

Pursuant to Section 31 of The Revenue and Financial Services Act, the costs of administering the plan are borne by the Consolidated Fund. These costs are not reflected in the accompanying financial statements.

5. Premium Holiday

All participating employers were granted a premium holiday for the period July 1, 1987 to March 31, 1988. The estimated forfeited premium revenue to the Plan during this period was approximately \$2,432,000. The effect of this has been to reduce premium revenue for 1987 by \$1,618,873.

6. Subsequent Events

The Department of Revenue and Financial Services Amendment Act, 1988

Public Employees Dental Fund

a) **Public Employees Benefits Agency Revolving Fund**

Legislation amending The Department of Revenue and Financial Services Act, retroactive to April 1, 1988, was assented to on June 28, 1988. Section 32.1(2) of The Revenue and Financial Services Act, as amended, established the Public Employees Benefits Agency Revolving Fund.

The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of the Public Employees Benefits Agency (PEBA). In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund through the Consolidated Fund. These costs will be charged by the Revolving Fund to the various pension funds and benefit programs administered by PEBA.

b) **Costs of Administering the Public Employees Dental Fund**

The Revenue and Financial Services Act was further amended with the addition of subsection 31(6.1). Subsection 31(6.1) establishes that sums required for the purpose of administering the Public Employees Dental Fund shall be a charge on and paid out of that fund. These expenditures were previously paid out of the Consolidated Fund prior to the amendment. The annual operating expenditures for the 1988 year (April 1 — December 31) associated with the Plan's administration are estimated to be \$61,000 and will be paid to the Public Employees Benefits Agency Revolving Fund.

Public Employees Dental Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Public Employees Dental Fund as at December 31, 1988 and the statements of revenue, expenses and fund balance and changes in cash resources for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
July 3, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

As at December 31

Statement 1

	1988	1987
Assets		
Cash	\$ 59,788	\$ 39,539
Short-term investments (cost approximates market value)	3,781,837	4,069,949
Accounts receivable	350,989	28,825
Total Assets	\$ 4,192,614	\$ 4,138,313
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 36,538	\$ 23,191
Unpaid claims	308,543	243,328
	345,081	266,519
Fund balance (Statement 2)	3,847,533	3,871,794
Total liabilities and fund balance	\$ 4,192,614	\$ 4,138,313

(See accompanying notes)

Statement of Revenue, Expenses and Fund Balance

Year Ended December 31

Statement 2

	1988	1987
Revenue:		
Premiums (Note 5)	\$ 2,520,522	\$ 1,744,014
Interest	350,494	408,023
Other	4,527	3,441
	2,875,543	2,155,478
Expenses:		
Claims incurred	2,715,767	2,845,211
Adjudication fees	118,826	143,068
Revolving Fund Administration (Note 4)	65,211	.....
	2,899,804	2,988,279
Excess of expenses over revenue	(24,261)	(832,801)
Fund balance, beginning of year	3,871,794	4,704,595
Fund balance, end of year (Statement 1)	\$ 3,847,533	\$ 3,871,794

(See accompanying notes)

Public Employees Dental Fund

Statement of Changes in Cash Resources

Year Ended December 31

Statement 3

	1988	1987
Cash provided by (used in):		
Operating Activities:		
Premiums received	\$ 2,227,380	\$ 2,026,122
Interest received	320,843	430,412
Other income received	4,528	3,441
Claims paid	(2,649,074)	(2,819,633)
Adjudication fees paid	(115,408)	(132,055)
Revolving Fund administration expenses paid	(56,132)	.....
Net (decrease) increase in cash position	(267,863)	(491,713)
Cash position, beginning of year	4,109,488	4,601,201
Cash position, end of year	<u>\$ 3,841,625</u>	<u>\$ 4,109,488</u>
Represented by:		
Cash	\$ 59,788	\$ 39,539
Short-term investments	3,781,837	4,069,949
	<u>\$ 3,841,625</u>	<u>\$ 4,109,488</u>

(See accompanying notes)

Notes to the Financial Statements

December 31, 1988

1. Description of the Fund

The Public Employees Dental Fund is used to account for the transactions of the Public Employees Dental Plan. This plan, which came into effect February 1, 1982, was established under the provisions of Section 31(2) of The Revenue and Financial Services Act. The Plan is designed to promote good dental health among plan members by reducing the members' costs for preventive, routine and major dental services.

Claims are adjudicated and processed for payment by The Canada Life Assurance Company.

2. Significant Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting.

b) Unpaid Claims

The provision for unpaid claims represents a provision for the cost of claims reported but not paid prior to year end and an estimate of claims incurred but not reported based upon the claims settlement experience.

c) Investments

Investments are recorded at cost.

3. Fund Balance

Fund balance represents the accumulated premiums and interest income reduced by claim payments, Adjudication fees and Public Employees Benefits Agency Revolving Fund Administration charges. The fund balance, together with future premiums and interest income, is available to provide for the payment of claims to plan members.

4. Administrative Costs

a) Public Employees Benefits Agency Revolving Fund

Legislation amending The Revenue and Financial Services Act, retroactive to April 1, 1988, was assented to on June 28, 1988. Section 32.1(2) of this Act, as amended, established the Public Employees Benefits Agency Revolving Fund.

The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of the Public Employees Benefits Agency (PEBA). In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund through the Consolidated Fund. These costs are charged by the Revolving Fund to the various pension funds and benefit programs administered by PEBA.

Public Employees Dental Fund

b) Costs of Administering the Public Employees Dental Fund

The Revenue and Financial Services Act was further amended with the addition of subsection 31(6.1). Subsection 31(6.1) establishes that sums required for the purpose of administering the Public Employees Dental Fund shall be a charge on and paid out of that fund. These expenditures were previously paid out of the Consolidated Fund prior to the amendment.

5. Premium Holiday

All participating employers were granted a premium holiday for the period July 1, 1987 to March 31, 1988. The estimated forfeited premium revenue to the Plan during this period was approximately \$2,432,000. The effect of this has been to reduce premium revenue for 1988 by \$813,127 (1987 — \$1,618,873).

Public Employees Dental Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Public Employees Dental Fund as at December 31, 1989 and the statements of revenue, expenses and fund balance and changes in cash resources for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
October 22, 1990, except as to Note 4
which is as of January 14, 1991.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

As at December 31

Statement 1

	1989	1988
Assets		
Cash	\$ 193,819	\$ 59,788
Short-term investments (cost approximates market value)	4,628,932	3,781,837
Accounts receivable	887,967	714,517
Total Assets	<u>\$ 5,710,718</u>	<u>\$ 4,556,142</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 100,309	\$ 36,538
Unpaid claims	400,441	308,543
	500,750	345,081
Fund balance (Statement 2)	5,209,968	4,211,061
Total liabilities and fund balance	<u>\$ 5,710,718</u>	<u>\$ 4,556,142</u>

(See accompanying notes)

Statement of Revenue, Expenses and Fund Balance

Year Ended December 31

Statement 2

	1989	1988
Revenue:		
Premiums	\$ 3,693,626	\$ 2,623,905
Interest	522,899	350,494
Other	4,543	4,527
	<u>4,221,068</u>	<u>2,978,926</u>
Expenses:		
Claims incurred	2,995,099	2,715,767
Adjudication fees	135,096	118,826
Revolving Fund Administration (Note 5)	91,966	65,211
	<u>3,222,161</u>	<u>2,899,804</u>
Excess of revenue over expenses	998,907	79,122
Fund balance, beginning of year as restated (Note 4)	4,211,061	4,131,939
Fund balance, end of year (Statement 1)	<u>\$ 5,209,968</u>	<u>\$ 4,211,061</u>

(See accompanying notes)

Public Employees Dental Fund

Statement of Changes in Cash Resources

Statement 3

Year Ended December 31

	1989	1988
Cash provided by (used in):		
Operating Activities:		
Premiums received	\$ 3,522,444	\$ 2,227,380
Interest received	515,195	320,843
Other income received	4,542	4,528
Claims paid	(2,891,494)	(2,649,074)
Adjudication fees paid	(72,609)	(115,408)
Revolving Fund administration expenses paid	(96,952)	(56,132)
Net increase (decrease) in cash position	981,126	(267,863)
Cash position, beginning of year	3,841,625	4,109,488
Cash position, end of year	\$ 4,822,751	\$ 3,841,625
Represented by:		
Cash	\$ 193,819	\$ 59,788
Short-term investments	4,628,932	3,781,837
	\$ 4,822,751	\$ 3,841,625

(See accompanying notes)

Notes to the Financial Statements

December 31, 1989

1. Description of the Fund

The Public Employees Dental Fund is used to account for the transactions of the Public Employees Dental Plan. This plan, which came into effect February 1, 1982, was established under the provisions of Section 31(2) of The Revenue and Financial Services Act. The Plan is designed to promote good dental health among plan members by reducing the members' costs for preventive, routine and major dental services.

Claims were adjudicated and processed for payment by The Canada Life Assurance Company until June 23, 1989. Metropolitan Life Insurance Company was appointed as an adjudicator effective June 24, 1989.

2. Significant Accounting Policies

a) Basis of Accounting

The accounts are maintained on an accrual basis of accounting.

b) Unpaid Claims

The provision for unpaid claims represents a provision for the cost of claims reported but not paid prior to year end and an estimate of claims incurred but not reported based upon the claims settlement experience.

c) Investments

Investments are recorded at cost.

3. Fund Balance

Fund balance represents the accumulated premiums and interest income reduced by claims incurred, adjudication fees and Public Employees Benefits Agency Revolving Fund administration charges. The fund balance, together with future premiums and interest income, is available to provide for the payment of claims to plan members.

4. Correction of Prior Period Error

Due to an administrative oversight, the Department of Finance had not reported and remitted premiums in respect of the Labour Service employees of certain departments for the years 1986 to 1988. Accordingly, the premium revenue reflected on the financial statements for the years ended December 31, 1986 to 1988 was understated. The Department of Finance and Public Employees Benefits Agency (PEBA) have now agreed the amount of premiums not reported and remitted for the above years to be \$363,528.

As a result, the fund balance at January 1, 1989 has been adjusted by \$363,528 representing the total amount of premium revenue for 1988 and earlier years. Of the \$363,528, \$103,383 is applicable to 1988 and has been credited to premium revenue for that year. The remaining \$260,145 is applicable to years prior to January 1, 1988 and the fund balance at that date has been adjusted accordingly.

Public Employees Dental Fund

5. Administrative Costs

Public Employees Benefits Agency Revolving Fund

Pursuant to Section 32.1(2) of The Revenue and Financial Services Act the Public Employees Benefits Agency Revolving Fund was established effective April 1, 1988 to account for all expenditures previously paid out of the Consolidated Fund for the administration of the PEBA. In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund through the Consolidated Fund. These costs are charged by the Revolving Fund to the various pension funds and benefit programs administered by PEBA.

According to subsection 31(6.1) of The Revenue and Financial Services Act, effective April 1, 1988, sums required for the purpose of administering the Public Employees Dental Fund shall be a charge on and paid out of that fund. These expenditures were previously paid out of the Consolidated Fund.

6. Premium Holiday

All participating employers were granted a premium holiday for the period July 1, 1987 to March 31, 1988. The effect of this was to reduce premium revenue for 1988 by \$847,587.

Public Employees Disability Income Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Public Employees Disability Income Fund as at December 31, 1988, and the statement of revenue, expenditure and fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
November 6, 1989.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

As At December 31

Statement 1

	1988	1987
Assets		
Cash	\$ 68,017	\$ 283,068
Short term investments	1,583,069	793,667
Investments (Note 3)	15,958,718	14,752,890
Accounts receivable	643,028	643,892
Total Assets	<u>\$ 18,252,832</u>	<u>\$ 16,473,517</u>
Liabilities and Fund Balance		
Accounts payable	\$ 452,737	\$ 165,105
Fund balance (Statement 2)	17,800,095	16,308,412
Total Liabilities and Fund Balance	<u>\$ 18,252,832</u>	<u>\$ 16,473,517</u>

(See accompanying notes to the financial statements)

Public Employees Disability Income Fund

Statement of Revenue, Expenditure and Fund Balance

Year Ended December 31

Statement 2

	1988	1987
Insurance Operations		
Revenue:		
Premiums	\$ 3,576,762	\$ 3,661,781
Contributions from SIAT (Note 6)	102,626	—
	<u>3,679,388</u>	<u>3,661,781</u>
Expenses:		
Benefit payments	3,245,269	3,092,244
Administration	115,781	124,904
Revolving Fund Administration (Note 5)	104,797	.....
Transfer to SGEU (Note 6)	102,626	.....
Other	1,320	1,320
	<u>3,569,793</u>	<u>3,218,468</u>
Insurance operations surplus	<u>109,595</u>	<u>443,313</u>
Investment Operations		
Revenue:		
Investment income	1,376,105	1,179,888
Gains (losses) on the sale of investments	55,654	781,172
	<u>1,431,759</u>	<u>1,961,060</u>
Expenses:		
Investment management fees	49,410	47,759
Other	261	861
	<u>49,671</u>	<u>48,620</u>
Investment operations surplus	<u>1,382,088</u>	<u>1,912,440</u>
Total surplus from operations	<u>1,491,683</u>	<u>2,355,753</u>
Fund balance, beginning of year	16,308,412	13,952,659
Fund balance, end of year — to Statement 1	<u>\$ 17,800,095</u>	<u>\$ 16,308,412</u>

(See accompanying notes)

Notes to the Financial Statements

December 31, 1988

1. Description of Fund

The Public Employees Disability Income Fund is a special purpose fund used to account for the premiums, claims, investment and certain administrative transactions of the Disability Income Plan established under Section 31(2) of The Revenue and Financial Services Act. Accordingly, the fund balance represents the accumulated excess of premiums and investment income earned over expenditures for claims and other expenses that, together with future contributions and earnings, is available to provide for the payment of benefits to participants.

This Plan came into effect December 1, 1979 and is managed by the Public Employees Benefits Agency. It provides certain public sector employees of the Province of Saskatchewan with a level of income protection during periods of occupational or total disability.

The Plan is administered under the terms of an agreement with The Mutual Life Assurance Company of Canada.

2. Significant Accounting Policies

a) Basis of Accounting

The accrual basis of accounting has been utilized in the preparation of these financial statements except as described in Note 2(b).

b) Investments

Investments are recorded at cost. Premiums and discounts on the purchase of bonds are not amortized. Gains or losses realized upon the sale of investments are recorded in the period of disposition.

Public Employees Disability Income Fund

3. Investments

	1988		1987	
	Cost	Market	Cost	Market
Stocks	\$ 5,330,235	\$ 6,067,948	\$ 5,461,169	\$ 5,561,553
Bonds	10,628,483	10,701,840	9,291,721	9,389,558
	<u>\$ 15,958,718</u>	<u>\$ 16,769,788</u>	<u>\$ 14,752,890</u>	<u>\$ 14,951,111</u>

4. Actuarial Valuation

In 1986, an actuarial study was commissioned to value the liability of making future payments to members disabled at the valuation date of December 31, 1986. The study established this valuation to be \$14,131,432 at the valuation date. An actuarial study is to be commissioned shortly with a valuation date of December 31, 1989.

5. Administration Costs

i) The Department of Revenue and Financial Services Amendment Act, 1988

a) Public Employees Benefits Agency Revolving Fund

Legislation amending The Revenue and Financial Services Act, retroactive to April 1, 1988, was assented to on June 28, 1988. Section 32.1(2) of The Revenue and Financial Services Act, as amended, established the Public Employees Benefits Agency Revolving Fund.

The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of the Public Employees Benefits Agency (PEBA). In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund through the Consolidated Fund. These costs will be charged by the Revolving Fund to the various pension funds and benefit programs administered by PEBA.

b) Costs of Administering the Public Employees Disability Income Fund

The Revenue and Financial Services Act was further amended effective April 1, 1988 with the addition of subsection 31(6.1). Section 31(6.1) establishes that sums required for the purposes of administering the Public Employees Disability Income Fund shall be a charge on and paid out of that Fund. These expenditures were previously paid out of the Consolidated Fund prior to the amendment.

6. Contributions From/To Saskatchewan Institute of Applied Science and Technology (SIAST)

During 1988, PEBA provided Disability Income Plan coverage to all the employees of SIAST until the inscope/out-of-scope division was settled. The SGEU long term Disability Plan subsequently accepted responsibility for coverage for inscope employees effective January 1, 1988. The amount reflected as revenue and expense in the financial statements represents contributions from the inscope employees transferred to the SGEU long term Disability Income Plan.

Public Employees Group Life Insurance Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Public Employees Group Life Insurance Fund as at December 31, 1988 and the statement of revenue, expenses and fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
November 24, 1989.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

As at December 31

Statement 1

	1988	1987
Assets		
Cash	\$ 48,596	\$ 108,748
Short-term investments	396,228	495,936
Investments (Note 3)	6,765,101	7,404,422
Accounts receivable	956,727	644,462
Total Assets	<u>\$ 8,166,652</u>	<u>\$ 8,653,568</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 61,117	\$ 874,237
Claims payable	1,019,422	1,228,700
Total Liabilities	1,080,539	2,102,937
Fund balance (Statement 2)	7,086,113	6,550,631
Total Liabilities and Fund Balance	<u>\$ 8,166,652</u>	<u>\$ 8,653,568</u>

(See accompanying notes)

Public Employees Group Life Insurance Fund

Statement of Revenue, Expenses and Fund Balance

Statement 2

Year Ended December 31

	1988	1987
Insurance Operations		
Revenue:		
Premiums	\$ 6,206,417	\$ 5,300,179
Interest income (expense)	24,831	(65,595)
	<u>6,231,248</u>	<u>5,234,584</u>
Expenses:		
Claims	5,998,495	6,587,459
Revolving Fund administration (Note 4)	107,465	—
Premium taxes	117,479	140,468
Retention charges	99,014	96,700
	<u>6,322,453</u>	<u>6,824,627</u>
Insurance Operations Deficit	<u>91,205</u>	<u>1,590,043</u>
Investment Operations		
Revenue:		
Investment income	571,537	674,166
Gain on sale of investments	87,823	892,991
	<u>659,360</u>	<u>1,567,157</u>
Expenses:		
Investment management fees	32,561	37,871
Other investment expenses	112	186
	<u>32,673</u>	<u>38,057</u>
Investment Operations Surplus	<u>626,687</u>	<u>1,529,100</u>
Total surplus (deficit) from operations	<u>535,482</u>	<u>(60,943)</u>
Fund balance, beginning of year	6,550,631	6,611,574
Fund balance, end of year — to Statement 1	<u>\$ 7,086,113</u>	<u>\$ 6,550,631</u>

(See accompanying notes)

Notes to the Financial Statements

December 31, 1988

1. Description of Fund

The Public Employees Group Life Insurance Fund is a special purpose fund used to account for the premiums, claims, investment and certain administrative transactions of the Group Life Insurance Plan established under Subsection 31(2) of The Revenue and Financial Services Act. Accordingly, the fund balance represents the accumulated excess of premiums and investment income earned over expenditure for claims and other expenses that, together with future contributions and earnings, is available to provide for the payment of benefits to participants.

This plan is managed by the Public Employees Benefits Agency and provides comprehensive Life Insurance coverage to certain members of the public service of the Province of Saskatchewan. The plan is administered under the terms of a policy issued by Mutual Life Assurance Company of Canada.

2. Significant Accounting Policies

a) Basis of Accounting

The accrual basis of accounting has been utilized in the preparation of these financial statements except as described in Note 2(b).

b) Investments

Investments are recorded at cost. Premiums and discounts on the purchase of bonds are not amortized. Gains or losses realized upon the sale of investments are recorded in the period of disposition.

3. Investments

	1988		1987	
	Cost	Market	Cost	Market
Stocks	\$ 2,622,550	\$ 2,913,897	\$ 3,002,246	\$ 3,038,799
Bonds	4,142,551	4,122,888	4,402,176	4,447,988
Total	<u>\$ 6,765,101</u>	<u>\$ 7,036,785</u>	<u>\$ 7,404,422</u>	<u>\$ 7,486,787</u>

Public Employees Group Life Insurance Fund

4. Administration Costs

i) **The Department of Revenue and Financial Services Amendment Act, 1988**

a) **The Public Employees Benefits Agency Revolving Fund**

Legislation amending The Revenue and Financial Services Act, retroactive to April 1, 1988, was assented to on June 28, 1988. Section 32.1(2) of The Revenue and Financial Services Act, as amended, established the Public Employees Benefits Agency Revolving Fund.

The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of the Public Employees Benefits Agency (PEBA). In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund through the Consolidated Fund. These costs are charged by the Revolving Fund to the various pension funds and benefit programs administered by PEBA.

b) **Costs of Administering the Public Employees Group Life Fund**

The Revenue and Financial Services Act was further amended effective April 1, 1988 with the addition of subsection 31(6.1). Subsection 31(6.1) establishes that sums required for the purposes of administering the Public Employees Group Life Insurance Fund shall be a charge on and paid out of that fund. These expenditures were previously paid out of the Consolidated Fund prior to the amendment.

Whitespruce Youth Treatment Centre

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Whitespruce Youth Treatment Centre as at March 31, 1990 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Centre as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements, applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 15, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	\$ 1,362,302	\$ 145,412
Accounts receivable	56,708	997
Supplies inventory, at cost	6,649	3,293
Total current assets	\$ 1,425,659	\$ 149,702
Fixed assets:		
Equipment, at cost	\$ 56,378	.....
Total assets	<u>\$ 1,482,037</u>	<u>\$ 149,702</u>
Liabilities and Equity		
Accounts payable	\$ 46,752	\$ 40,700
Accrued vacation pay	48,875	37,000
Deferred revenue	47,600	.....
Advances repayable (Note 3)	1,261,688	58,908
Total liabilities	1,404,915	136,608
Equity		
Operating surplus (Statement 2)	20,744	13,094
Equity in fixed assets	56,378	.....
	77,122	13,094
	<u>\$ 1,482,037</u>	<u>\$ 149,702</u>

(See accompanying notes to the financial statements)

Whitespruce Youth Treatment Centre

Statement of Revenue, Expenditure and Operating Surplus

Year ended March 31

Statement 2

	1990	1989
Revenue:		
Grant — Saskatchewan Alcohol and Drug Abuse Commission	\$ 2,721,391	\$ 2,826,762
— Department of Education	102,400	.....
Services to out of province residents	92,028	.....
Meals	12,007	15,386
Donations	1,559	3,094
Interest	115,090	2,091
Other revenue	13,568	6,254
Total revenue	3,058,043	2,853,587
Expenditure:		
Building and property rental (Note 4)	1,082,305	1,217,000
Salaries and fringe benefits	1,348,839	1,082,962
Consultants	32,519	112,553
Education contract, salary & other	101,123	56,751
Employee interview and relocation .....	.....	11,025
Employee training	8,295	18,426
Board honoraria and expenses	16,920	20,660
Travel	41,622	26,174
Advertising	4,455	3,526
Administration and office supplies	87,851	66,596
Telephone	70,370	47,686
Educational, recreational and medical supplies	42,513	27,679
Food	108,865	96,651
Workers' Compensation Board	14,894	10,389
Residential expenses	23,242	31,404
Cafeteria supplies	12,284	11,011
Equipment purchases	54,296	.....
Total expenditure	3,050,393	2,840,493
Excess of revenue over expenditure	7,650	13,094
Operating surplus, beginning of year	13,094	.....
Operating surplus, end of year (Statement 1)	\$ 20,744	\$ 13,094

(See accompanying notes to the financial statements)

Statement of Changes in Financial Position

Year ended March 31

Statement 3

	1990	1989
Cash provided by operating activities		
Excess of revenue over expenditure	\$ 7,650	\$ 13,094
Net change in non-cash working capital balances related to operations *	6,460	43,573
Cash provided by operating activities	14,110	56,667
Cash provided by:		
Advances repayable (Note 3)	1,202,780	40,908
Net increase in cash during the year	1,216,890	97,575
Cash at beginning of year	145,412	47,837
Cash at end of year	\$ 1,362,302	\$ 145,412
* Accounts receivable	\$ (55,711)	\$ (997)
Supplies inventory	(3,356)	14,596
Prepaid expenses .....	.....	2,253
Accounts payable	6,052	5,721
Accrued vacation pay	11,875	22,000
Deferred revenue	47,600	.....
	\$ 6,460	\$ 43,573

(See accompanying notes to the financial statements)

Whitespruce Youth Treatment Centre

Notes to the Financial Statements

March 31, 1990

1. Authority

The Board of Governors, Whitespruce Youth Treatment Centre was established by Order-in-Council 106/87 on February 10, 1987, pursuant to Section 86 of The Public Health Act. The primary purpose of the Board is to operate a youth treatment centre for drug and alcohol addiction.

2. Significant Accounting Policies

a) Basis of Accounting

The accounts of the Centre are maintained on the accrual basis of accounting.

b) Fixed Assets and Equity in Fixed Assets

Expenditures for fixed assets appear in the statement of revenue, expenditure and operating surplus. To maintain accountability for fixed assets using fund accounting they are recorded in the balance sheet as assets with a corresponding entry to "Equity in Fixed Assets". Because fixed asset purchases are included in the statement of revenue, expenditure and operating surplus, no provision has been made for depreciation of the fixed assets.

At the time of disposal or retirement, the costs of assets disposed or retired are removed from the fixed asset accounts. A corresponding amount is removed from "Equity in Fixed Assets".

c) Deferred revenue

Revenue is received from the Department of Education to fund the education costs of the Centre. The excess of this revenue over education expenses incurred is deferred until the next fiscal year when additional expenses will be incurred.

d) Revenue

Advances are received from the Saskatchewan Alcohol and Drug Abuse Commission (SADAC) pursuant to a letter of understanding between the Centre and SADAC. Amounts required to pay expenses and any amount allowed to be retained by the SADAC surplus retention policy are recorded as revenue and the balance is recorded as repayable to SADAC.

An agency funded by SADAC may annually retain a surplus from operations equal to the lesser of \$10,000 or 5% of its budget for the previous year. Operating surpluses may be accumulated to the lesser of \$25,000 or 20% of the budget for the previous year.

3. Advances Repayable

Advances repayable represent grants received from the Saskatchewan Alcohol and Drug Abuse Commission in excess of expenses and surplus retention and are repayable in accordance with the Centre's accounting policy.

4. Occupancy Costs

Effective April 1, 1988, the Centre entered into an arrangement with Saskatchewan Property Management Corporation. Building and property rental of \$1,082,305 was paid under the arrangement in 1990. (\$1,217,000 in 1989)

5. Related Party Transactions

Related parties to Whitespruce Youth Treatment Centre are Saskatchewan's Crown controlled departments, agencies and corporations. Transactions with these parties are recorded at normal market prices except as described herein.

6. Comparative Figures

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

7. Prior Period Correction

During the year, the Centre determined that the method used to recognize vacation pay expense was not in accordance with its policy for recognition of vacation entitlements. Therefore, the Centre has amended its method of recognition of expense for vacation entitlement. This change has been applied retroactively in these financial statements.

The effect is to increase 1989 salaries and fringe benefits by \$22,000. Grant revenue received from the Saskatchewan Alcohol and Drug Abuse Commission is increased by an equal amount. Excess of revenue over expenditure and operating surplus remain unchanged due to the effect of the surplus retention policy referred to in Note 1(d). There is no effect on operating surplus at March 31, 1988, as the \$15,000 increase in 1988 salaries and fringe benefits expense is offset by an equal increase in grant revenue.

Assurance Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Assurance Fund as at March 31, 1990 and the statement of receipts, payments and transfers to Consolidated Fund for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 28, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

March 31, 1990

Statement 1

	1990	1989
Assets		
Cash	\$ 4,493	\$ 5,745
12.78% Federal Government Treasury Bill maturing August 24, 1990, at cost (market value \$70,935)	70,507	.....
12.35% Bank of Montreal Banker's Acceptance .....	.....	70,649
	<u>\$ 75,000</u>	<u>\$ 76,394</u>
Liabilities and Fund Balance		
Due to the Consolidated Fund (Note 5)	\$ —	\$ 1,394
Fund balance (Note 4)	75,000	75,000
	<u>\$ 75,000</u>	<u>\$ 76,394</u>

(See accompanying notes to the financial statements)

Statement of Receipts, Payments and Transfers to Consolidated Fund

Year Ended March 31, 1990

Statement 2

	1990	1989
Receipts:		
Fees: Land Titles Registration District (Note 3)		
— Battleford	\$ 7,168	\$ 6,991
— Humboldt	4,459	4,020
— Moose Jaw	8,142	7,494
— Prince Albert	9,707	9,541
— Regina	33,135	33,046
— Saskatoon	28,175	27,920
— Swift Current	6,923	6,665
— Yorkton	4,571	5,298
	<u>102,280</u>	<u>100,975</u>
Other:		
Proceeds from matured investment	150,000	75,000
Interest on investments .....	.....	8,063
Bank interest .....	.....	1,394
Total receipts	<u>\$ 252,280</u>	<u>\$ 185,432</u>
Payments:		
Claims incurred (Note 2(b))	17,928	28,542
Purchase of investments	141,366	70,649
Total Payments	<u>159,294</u>	<u>99,191</u>
Excess of receipts over payments	92,986	86,241
Decrease (increase) in cash balance	1,252	(758)
Transfers to Consolidated Fund (Note 4)	<u>\$ 94,238</u>	<u>\$ 85,483</u>

(See accompanying notes to the financial statements)

Assurance Fund

Notes to the Financial Statements

March 31, 1990

1. Accounting Policy

- (a) The Assurance Fund has adopted the modified cash basis of accounting wherein revenue is recorded as collected and expenditures are recorded when payments are made except that revenue of the current fiscal year received prior to April 30 of the next fiscal year is recorded as revenue of the period, and expenditures for claims made before March 31 and paid before April 30 of the next fiscal year are recorded as expenditures for the period.
- (b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Justice.

2. Legislative Authority

- (a) The fund was established pursuant to Section 106 of The Territories Real Property Act, the Statutes of Canada, 1886, and pursuant to Section 236 of The Land Titles Act is held by the Minister of Finance as trust moneys.
- (b) The fund, in accordance with the provisions of Sections 197, 198, 202 and 205 of The Land Titles Act, is used to pay an amount to any person sustaining loss or damage through an omission, mistake or misfeasance of the registrar or an official in his office in the execution of his duties.

3. Fees

The Land Titles Fees Regulations (O.C. 1004/83), issued pursuant to Section 233 of The Land Titles Act, as amended by The Land Titles Amendment Act, 1981 which came into force August 1, 1983, provides that the fund shall receive 1% of all fees actually received by each registrar.

4. Transfers to Consolidated Fund

Pursuant to the provisions in Section 236(3) of The Land Titles Act, the Lieutenant Governor in Council has directed that sums in excess of \$75,000 be transferred to and form part of the Consolidated Fund.

5. Due to the Consolidated Fund

The 1989 amount represents bank interest earned by the fund which was not paid to the Consolidated Fund until the 1989/90 fiscal year.

Forest Renewal and Development Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Forest Renewal and Development Fund as at March 31, 1990, and the statements of revenue, expenditure and accumulated surplus, equity in fixed assets and changes in cash position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Forest Renewal and Development Fund as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
November 30, 1990.

W. K. Strelloff, C.A.,
Provincial Auditor.

Balance Sheet

As at March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	\$ 468,441	\$ 188,499
Investments	928,717	1,007,363
Accrued interest receivable	14,157	6,140
Accounts receivable	300,346	200,345
	1,711,661	1,402,347
Forest nursery equipment	72,120	28,168
Total Assets	\$ 1,783,781	\$ 1,430,515
Liabilities and Fund Balance		
Accounts payable (Note 3)	\$ 328,678	\$ 772,440
Fund balance:		
Accumulated surplus (Statement 2)	1,382,983	629,907
Equity in fixed assets (Statement 3)	72,120	28,168
Total Liabilities and Fund Balance	\$ 1,783,781	\$ 1,430,515

(See accompanying notes)

Statement of Revenue, Expenditure and Accumulated Surplus

Year Ended March 31

Statement 2

	1990	1989
Revenue:		
Federal Government of Canada —		
Softwood Lumber Products export charges	\$ 2,805,918	\$ 2,161,792
Interest income	142,339	147,755
Total Revenue	2,948,257	2,309,547
Expenditure:		
Forestation Projects		
— Site Preparation and Planning	1,390,084	3,481,432
— Cone Collections	19,062	28,948
— Operation of P.A. Nursery	560,269	889,643
— Operations of Big River Nursery	225,766	535,881
Total Expenditure	2,195,181	4,935,904
Excess of revenue over expenditure (expenditure over revenue) (Statement 4) ...	753,076	(2,626,357)
Accumulated surplus, beginning of year	629,907	3,256,264
Accumulated surplus, end of year (Statement 1)	\$ 1,382,983	\$ 629,907

(See accompanying notes)

Forest Renewal and Development Fund

Statement of Equity in Fixed Assets

Statement 3

Year Ended March 31

	1990	1989
Equity in fixed assets:		
Balance, beginning of year (Note 6)	\$ 28,168	\$ —
Fixed asset additions:		
Purchases in the year	43,952	28,168
Equity in fixed assets, end of year (Statement 1)	<u>\$ 72,120</u>	<u>\$ 28,168</u>

(See accompanying notes)

Statement of Changes in Cash Position

Statement 4

Year Ended March 31

	1990	1989
Cash provided by (used in):		
Operations:		
Excess of revenue over expenditure (expenditure over revenue)		
(Statement 2)	\$ 753,076	\$ (2,626,357)
Net change in non-cash working capital balances:		
Increase in Accrued Interest Receivable	(8,017)	(6,140)
(Increase) decrease in Accounts Receivables	(100,001)	4,101,427
Decrease in Accounts Payable	(443,762)	(273,068)
	<u>\$ 201,296</u>	<u>\$ 1,195,862</u>
Cash and Investments, beginning of year	1,195,862	—
Cash and Investments, end of year	<u>\$ 1,397,158</u>	<u>\$ 1,195,862</u>

(See accompanying notes)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

The accounts of the Fund are maintained on an accrual basis of accounting.

(a) Revenue Recognition

An account receivable is recorded for export charges payable to Saskatchewan by the Government of Canada for the period prior to the year end. The amount payable by Canada in turn is related only to charges received prior to March 31 less an administration fee.

(b) Short Term Investments

Short term investments are stated at cost which approximates market value.

(c) Fixed Assets

The Fund records fixed asset purchases as expenditures in the year of purchase and records the proceeds of fixed asset disposals as revenue in the year of sale. The Board discloses the cumulative cost of fixed assets acquired through the fund as "Forest Nursery Equipment" on the balance sheet with a corresponding entry to "Equity in Fixed Assets".

2. Establishment of the Fund

The Forest Renewal and Development Fund was established in November 1987 under an amendment to **The Department of Parks and Renewable Resources Act**. Under its governing legislation, the Fund receives monies paid to Saskatchewan pursuant to **The Softwood Lumber Products Export Charges Act (Canada)**. The assets of the fund may be used for the following purposes:

- to establish new forest growth on provincial lands;
- to develop and enhance the provincial timber resource;
- to conduct research and surveys required in the development or enhancement of the provincial timber resource.

Forest Renewal and Development Fund

3. **Accounts Payable**

Treasury Board has directed the Resource Protection and Development Revolving Fund to undertake reforestation activities on behalf of the Forest Renewal and Development Fund and to recover from that fund, the accumulated costs for those activities. The amount of \$328,678 (1989 — \$772,440) represents the amount owing to the Resource Protection and Development Revolving Fund at March 31.

4. **Department of Parks, Recreation and Culture — Support Activities**

In 1989/90, the Department of Parks, Recreation and Culture funded Forest Renewal and Development expenditures related to and in support of Forest Renewal and Development Fund activities through its ordinary appropriation in the amount of \$2,967,885. These expenditures are in addition to those made through this Fund.

5. **Related Parties**

In accordance with established government practice, the Forest Renewal and Development Fund has not been charged with certain occupancy, financing, administrative and certain other costs. These costs have been absorbed by various departmental appropriations and therefore, no provision for such costs is reflected in these financial statements.

6. **Change in Accounting Policy**

During the year the Fund has retroactively adopted the policy of recording fixed assets and equity in fixed assets on the balance sheet to maintain accountability. The balances of fixed assets and equity in fixed assets at March 31, 1989, have been restated for comparative purposes in the amount of \$28,168.

This change in policy has no effect on the previously reported revenues and expenditures of the Fund.

7. **Legislative Amendment**

Subsequent to the year end, **The Renewable Resources, Recreation and Culture Act** was amended to allow regulations to be issued providing authority for activities necessary or incidental to or used for the protection, administration and management of Saskatchewan's renewable resources. Under this statutory authority, The Resource Protection and Development Service Regulations were promulgated effective October 1, 1990. The regulations give the Resource Protection and Development Revolving Fund the necessary statutory authority to undertake reforestation activities on behalf of the Forest Renewal and Development Fund.

Social Services Central Trust Account

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of financial position of the Social Services Central Trust Account as at March 31, 1990 and the statements of revenue, expenditure and trust balance and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the trust account as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
May 24, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Statement of Financial Position

At March 31

Statement 1

	1990	1989
Assets		
Cash	\$ 34,061	\$ 30,971
Accrued interest	340	279
	<u>\$ 34,401</u>	<u>\$ 31,250</u>
Liabilities		
Trust Accounts (Statement 2):		
Armour Estate — Note 3	\$ 9,685	\$ 9,123
Family and youth allowance account	22,932	20,531
Unmarried parents' account	592	529
Ward trust account	1,192	1,067
	<u>\$ 34,401</u>	<u>\$ 31,250</u>

(See accompanying notes to the financial statements)

Social Services Central Trust Account

Statement of Revenue, Expenditure and Trust Balance

Statement 2

Year Ended March 31

	1990	1989
Armour Estate		
Revenue		
— Interest distribution (Note 1(b))	\$ 1,062	\$ 666
— Trust revenue	250	1,000
Expenditure		
— To or on behalf of children's Institutions	750	642
Increase in trust account	562	1,024
Balance, beginning of year	9,123	8,099
Balance, end of year to Statement 1	<u>\$ 9,685</u>	<u>\$ 9,123</u>

Family and Youth Allowance Account

Revenue		
— Interest distribution (Note 1(b))	\$ 2,401	\$ 1,430
Expenditure		
— Spending money and extra items for wards and payments to parents and wards on discharge	.....	25
Increase in trust account	2,401	1,405
Balance, beginning of year	20,531	19,126
Balance, end of year to Statement 1	<u>\$ 22,932</u>	<u>\$ 20,531</u>

Unmarried Parents' Account

Revenue		
— Interest distribution (Note 1(b))	\$ 63	\$ 37
Balance, beginning of year	529	492
Balance, end of year to Statement 1	<u>\$ 592</u>	<u>\$ 529</u>

Ward Trust Account

Revenue		
— Interest distribution (Note 1(b))	\$ 125	\$ 74
— Trust revenue	.....	1,112
Expenditure		
— To parents on discharge	.....	1,112
Increase in trust account	125	74
Balance, beginning of year	1,067	993
Balance, end of year to Statement 1	<u>\$ 1,192</u>	<u>\$ 1,067</u>

(See accompanying notes to the financial statements)

Social Services Central Trust Account

Statement of Changes in Financial Position

Statement 3

Year Ended March 31

	1990	1989
Cash provided by (used in) operating activities:		
Excess of Revenue over Expenditure		
Armour Estate	\$ 562	\$ 1,024
Family and Youth Allowance Account	2,401	1,405
Unmarried Parents' Account	63	37
Ward Trust Account	125	74
Total Excess of Revenue over Expenditure	3,151	2,540
Changes in non-cash working capital:		
(Increase) decrease in Accrued Interest	(61)	33
Decrease in Marketable Securities .....	.....	23,000
Cash provided by operating activities	3,090	25,573
Cash position at beginning of year	30,971	5,398
Cash position at end of year	\$ 34,061	\$ 30,971

(See accompanying notes to the financial statements)

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

(a) Accrual Accounting

The financial statements are prepared on the accrual basis of accounting.

(b) Interest Distribution

Interest received is credited on June 30 and December 31 to each beneficial interest in the trust account in proportion to its balance in the trust account at those dates.

(c) Dormant Accounts

The department has followed the practice whereby upon discharge, if the whereabouts of the children are unknown, the balances in their trust accounts may, after one year, be divided among the other members of the family, if they are in the care of the department. If there are no other children of the same family in the care of the department, the balances of the trust monies are divided among the other children in care.

All monies belonging to Government wards, except family allowance payments, which have been lying dormant for six years are paid over to the Minister of Finance for deposit to the Consolidated Fund as budgetary revenue.

2. Related Party Transactions

In accordance with established government practice, the Trust Account has not been charged with any occupancy costs and no provision for such costs is reflected in these statements. These costs, together with certain general administrative and employee benefit costs, are absorbed by the Department of Social Services appropriation.

3. Armour Estate

Under Section 15 of The Department of Social Services Act, R.S.S. 1978 "the minister may accept grants . . . bequests for the purposes of the department and shall administer the same, subject to the terms of any trust imposed by the donor or testator thereof, for the purposes of the department." In accordance with the foregoing, the department has assumed administration of the Armour Estate from the Department of Finance. This estate was bequeathed to the Regina Children Home in 1929.

4. Statutory Authority

Pursuant to Section 13 of The Department of Social Services Act, Chapter D-23, R.S.S. 1978, the Social Services Central Trust Account was established for the purpose of receiving and disbursing monies for the benefit of individuals established as wards of the Government.

Crop Reinsurance Fund of Saskatchewan

Auditor's Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have examined the balance sheet of the Crop Reinsurance Fund of Saskatchewan as at March 31, 1990 and the statement of revenue, expenditure and fund deficiency for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990 and the results of its operations for the year then ended in accordance with accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 6, 1990.

Peat Marwick Thorne,
Chartered Accountants.

Crop Reinsurance Fund of Saskatchewan

Balance Sheet

March 31, 1990 with comparative figures for 1989

Liability and Fund Deficiency

Liability:

	1990	1989
Due to Saskatchewan Crop Insurance Corporation (Note 3)	\$ 194,998,279	\$ 128,760,939
Fund deficiency	(194,998,279)	(128,760,939)
	<u>\$</u>	<u>\$</u>

(See accompanying notes to financial statements)

Statement of Revenue, Expenditure and Fund Deficiency

Year ended March 31, 1990 with comparative figures for 1989

	1990	1989
Revenue:		
Premium ceded from Saskatchewan Crop Insurance Corporation	\$ 38,721,069	\$ 19,372,533
Expenditure:		
Reinsurance paid to Saskatchewan Crop Insurance Corporation	104,958,409	112,589,139
Expenditures in excess of revenue for the year	66,237,340	93,216,606
Fund deficiency, beginning of year	128,760,939	35,544,333
Fund deficiency, end of year	<u>\$ 194,998,279</u>	<u>\$ 128,760,939</u>

(See accompanying notes to financial statements)

Crop Reinsurance Fund of Saskatchewan

Notes to Financial Statements

March 31, 1990

1. **Status of the fund:**

The Crop Insurance Agreement between the Governments of Saskatchewan and Canada provides for the establishment of two reinsurance funds:

- i) The Crop Reinsurance Fund of Saskatchewan — which is administered by the Government of Saskatchewan, and
- ii) The Crop Reinsurance Fund of Canada for Saskatchewan — which is administered by the Government of Canada.

2. **Significant accounting policies:**

Premiums ceded from Saskatchewan Crop Insurance Corporation

Under the terms of the agreement indicated in Note 1, the Saskatchewan Crop Insurance Corporation is required to pay premiums ceded into the Reinsurance Funds based on premiums received during the insurance year.

Liability for claim payments from the Reinsurance Funds

As provided for in the agreement indicated in Note 1, payments may be made out of the Reinsurance Funds if indemnities required to be paid in an insurance year exceed the aggregate of:

- a) the premium receipts for the year less reinsurance premiums ceded.
- b) the reserve fund balance of the Saskatchewan Crop Insurance Corporation — Insurance operation.
- c) 2½% of the total liability under policies of insurance in force in the insurance year which would have to be paid by the Crop Reinsurance Fund of Saskatchewan or by the Province of Saskatchewan.

The balance of indemnities to be paid would be shared 75% by Canada and 25% by Saskatchewan out of the respective Reinsurance Funds.

3. **Due to Saskatchewan Crop Insurance Corporation:**

The balance due to Saskatchewan Crop Insurance Corporation represents:

- a) the difference between the estimated premium ceded during the year and the actual calculated for the year based on the gross premium collected; and
- b) the difference between the estimated claim submitted by the Corporation based on the estimated indemnities payable and the actual reinsurance claims calculated at the year end.

The Province of Saskatchewan, pursuant to the agreement described in Note 1, has agreed to make interest free advances to the Crop Reinsurance Fund of Saskatchewan so that the Reinsurance Fund can meet its obligations to the Saskatchewan Crop Insurance Corporation.

4. **Balance in the Crop Reinsurance Fund of Canada for Saskatchewan:**

The balance in the Crop Reinsurance Fund of Canada for Saskatchewan as at March 31, 1990, accounted for on a cash basis, was a deficit of \$81,797,667 (1989 — \$81,797,667).

Farm Purchase Program Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statement of receipts and payments of the Farm Purchase Program Fund for the year ended March 31, 1990. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of receipts and payments presents fairly the cash position of the fund as at March 31, 1990 and its receipts and payments for the year then ended in accordance with the accounting principles disclosed in note 2 to the financial statement applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
May 11, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Farm Purchase Program Fund

Statement of Receipts and Payments

For the year Ended March 31

	1990	1989
Receipts		
Appropriation — Saskatchewan Heritage Fund — Agricultural Division (Note 1)	\$ 12,322,600	\$ 10,664,986
Lease payments	7,001,956	7,835,627
Penalties	429,683	566,069
Interest on loans	380,670	469,693
Interest on investments	212,531	525,050
Total receipts	20,347,440	20,061,425
Payments		
Interest (Note 1)	20,195,040	20,008,042
Advertising	152,408	53,388
Total payments	20,347,448	20,061,430
Excess of payments over receipts	(8)	(5)
Cash, beginning of year	.....	5
Cash, end of year	\$ (8)	\$

(See accompanying notes to the financial statement)

Farm Purchase Program Fund

Notes to the Financial Statements

March 31, 1990

1. Legislative Authority

The Farm Purchase Program Fund was established April 1, 1983, pursuant to The Farm Purchase Program Act, which was assented to December 17, 1982.

a) Receipts

Pursuant to Section 8(2) of this Act, the following receipts were placed to the credit of the fund:

- i) lease payments on land formerly held by the Saskatchewan Land Bank Commission;
- ii) penalties on arrears of lease payments;
- iii) interest payments on loans for improvements made pursuant to Section 22 of The Land Bank Act;
- iv) penalties on arrears of interest payments;
- v) interest earned on deposits or investments;
- vi) sums appropriated by the Legislature for the purposes of the fund;
- vii) advances from the Consolidated Fund.

b) Payments

Pursuant to Section 8(3) of this Act, payments were made out of the Fund for interest costs on debt incurred by the former Saskatchewan Land Bank Commission. These payments were made to the Consolidated Fund.

2. Accounting Policies

- a) These financial statements are prepared using a modified cash basis for a fiscal year commencing on April 1, and ending March 31. Receipts are recorded as received and payments are charged to the accounts when payments are made. In addition, receipts received in the 30 days of April, in respect of revenues raised up to March 31 of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as receipts and payments of the preceding fiscal year. Accordingly, the financial position of the fund at March 31, 1990 does not include the following items:
 - i) amount due from Department of Rural Development — Lands Branch — \$241,651 (1989 — \$128,911);
 - ii) accrued interest costs — \$6,834,817 (1989 — \$6,834,817);
- b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

3. Advances

Pursuant to Section 8(4) of The Farm Purchase Program Act the Fund receives advances from the Consolidated Fund as required for the purposes of the Fund, subject to prescribed terms and conditions. Following is a summary of advances received and repayments:

	1990	1989
Advances	\$ 20,072,275	\$ 9,210,000
Repayments	20,072,275	9,210,000
	<u>\$</u>	<u>\$</u>

Municipal Potash Tax Sharing Administration Board

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the statements of receipts, disbursements and fund balance of the Tax Distribution Fund and the General Administration Fund of the Municipal Potash Tax Sharing Administration Board for the year ended December 31, 1989. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Municipal Potash Tax Sharing Administration Board as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 18, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Municipal Potash Tax Sharing Administration Board

Tax Distribution Fund Statement of Receipts, Disbursements and Fund Balance

Statement 1

Year Ended December 31

	1989	1988
Receipts:		
Taxes received from taxing rural municipalities:		
Rocanville No. 151	\$ 534,679	\$ 515,732
Spy Hill No. 152	487,786	483,412
Pense No. 160	281,097	271,845
Langenburg No. 181	449,930	434,866
Usborne No. 310	989,639	799,089
Colonsay No. 342	566,366	446,872
Blucher No. 343	578,958	512,445
Corman Park No. 344	528,968	580,980
Vanscoy No. 345	606,999	594,809
	<u>5,024,422</u>	<u>4,640,050</u>
Less amount allocated to the General Administration Fund (Note 3)		
— to Statement 2	15,073	13,920
Amount available for distribution to participants	<u>5,009,349</u>	<u>4,626,130</u>
Disbursements:		
Payments to municipalities participating in municipal potash tax sharing:		
Areas of Influence	Rural (Schedule 1)	Urban (Schedule 2)
Pense	\$ 252,228	\$ 28,025
Esterhazy	1,321,180	146,798
Saskatoon/Lanigan	2,935,006	326,112
	<u>5,009,349</u>	<u>4,626,130</u>
Fund balance, December 31	\$	\$

(See accompanying notes to the financial statements)

Municipal Potash Tax Sharing Administration Board

General Administration Fund Statement of Receipts, Disbursements and Fund Balance

Statement 2

Year Ended December 31

	1989	1988
Receipts:		
Allocation of tax receipts for administration purposes (Note 3)		
(Statement 1)	\$ 15,073	\$ 13,920
Interest on term deposit .....	.....	198
	<u>15,073</u>	<u>14,118</u>
Disbursements:		
Office facilities — S.A.R.M.	4,500	4,350
Secretary's honorarium and meeting expenses	5,360	4,960
Audit fee .....	.....	2,037
Board members' allowances:		
Per diem	350	420
Sustenance	380	470
Mileage	432	511
Fidelity bond premium .....	.....	100
Stationery, supplies and postage .....	.....	66
Sundry expenses	98	.....
	<u>11,120</u>	<u>12,914</u>
Excess of receipts over disbursements	3,953	1,204
Fund balance, January 1	9,157	7,953
Fund balance, December 31	<u>\$ 13,110</u>	<u>\$ 9,157</u>

Fund balance is comprised of cash in bank

(See accompanying notes)

Municipal Potash Tax Sharing Administration Board

Notes to the Financial Statements

December 31, 1989

1. Basis of Accounting

The Board uses the cash basis of accounting to report the transactions of the Tax Distribution Fund and the General Administration Fund pursuant to Subsection 11(1) of The Municipal Tax Sharing (Potash) Act.

2. Statutory Provisions

The Municipal Potash Tax Sharing Administration Board was established under Section 3 of The Municipal Tax Sharing (Potash) Act as the body responsible for administering that Act. Under provisions of the Act, taxes are levied by rural municipalities upon the potash mine assessments within each taxing municipality and remittances of such taxes are made to the Board. Disbursements to participating municipalities are made on the basis of formulae prescribed in regulations issued under Section 13 of the Act.

As at December 31, 1989, the Board had not received levies totalling \$37,278. In addition, during the year \$20,000 was, inadvertently, overdisbursed to a rural municipality. This amount was recovered by the Board subsequent to the year-end.

3. Administration Costs

The costs of administering the Act are payable from monies collected and remitted to the Board by taxing municipalities and for that purpose the regulations provide that the Board may allocate up to $\frac{1}{2}$ of 1% of collections to the General Administration Fund subject to the provision that the General Administration Fund shall not at any time exceed \$25,000. In addition, interest earned on short term investments is required to be credited to the General Administration Fund. During 1989, the Board approved an allocation to the General Administration Fund of $\frac{3}{10}$ of 1% (1988 — $\frac{3}{10}$ of 1%) of taxes collected.

Municipal Potash Tax Sharing Administration Board

Tax Distribution Fund Payments made to Participating Rural Municipalities

Schedule 1

Year Ended December 31

R.M.#	Name	1989			1988		
		Pense Area	Esterhazy Area	Saskatoon Lanigan Area	Pense Area	Esterhazy Area	Saskatoon Lanigan Area
121	Moosomin	\$	\$ 43,209.04	\$	\$	\$ 41,958.81	\$
122	Martin .....	.....	13,216.88	.....	.....	12,487.74	.....
129	Bratt's Lake	1,845.57	.....	.....	1,856.37	.....	.....
130	Redburn	27,068.36	.....	.....	27,350.45	.....	.....
131	Baidon	10,827.34	.....	.....	10,890.68	.....	.....
151	Rocanville .....	.....	262,304.27	.....	.....	254,749.95	.....
152	Spy Hill .....	.....	350,755.70	.....	.....	349,157.28	.....
153	Willowdale .....	.....	32,025.52	.....	.....	31,469.11	.....
159	Sherwood	11,688.61	.....	.....	10,890.68	.....	.....
160	Pense	125,252.68	.....	.....	117,322.30	.....	.....
161	Moose Jaw	51,552.92	.....	.....	51,978.23	.....	.....
181	Langenburg .....	.....	273,996.12	.....	.....	265,739.16	.....
183	Fertile Belt .....	.....	235,870.50	.....	.....	229,774.46	.....
189	Lumsden	7,628.36	.....	.....	7,425.46	.....	.....
190	Dufferin	13,411.14	.....	.....	13,242.07	.....	.....
191	Marquis	2,952.92	.....	.....	2,970.22	.....	.....
211	Churchbridge .....	.....	66,084.41	.....	.....	60,940.18	.....
213	Saltcoats .....	.....	43,717.32	.....	.....	40,460.32	.....
279	Mount Hope .....	.....	.....	695.83	.....	.....	647.87
280	Wreford .....	.....	.....	16,699.95	.....	.....	15,548.84
281	Wood Creek .....	.....	.....	2,435.41	.....	.....	2,267.54
283	Rosedale .....	.....	.....	1,043.75	.....	.....	971.80
309	Prairie Rose .....	.....	.....	44,881.11	.....	.....	41,139.64
310	Usborne .....	.....	.....	260,240.87	.....	.....	240,359.18
312	Morris .....	.....	.....	145,428.72	.....	.....	127,954.01
313	Lost River .....	.....	.....	116,899.64	.....	.....	106,574.35
314	Dundurn .....	.....	.....	65,408.13	.....	.....	60,575.69
315	Montrose .....	.....	.....	69,235.21	.....	.....	61,223.57
316	Harris .....	.....	.....	20,874.93	.....	.....	18,788.19
339	Leroy .....	.....	.....	32,704.07	.....	.....	28,182.27
340	Wolverine .....	.....	.....	152,734.95	.....	.....	142,207.11
341	Viscount .....	.....	.....	185,439.02	.....	.....	171,037.26
342	Colonsay .....	.....	.....	221,970.15	.....	.....	206,022.15
343	Blucher .....	.....	.....	405,659.30	.....	.....	353,004.36
344	Corman Park .....	.....	.....	560,144.12	.....	.....	516,998.98
345	Vanscoy .....	.....	.....	380,271.75	.....	.....	311,624.71
346	Perdue .....	.....	.....	60,189.39	.....	.....	55,392.75
371	Bayne .....	.....	.....	18,787.44	.....	.....	17,168.52
372	Grant .....	.....	.....	32,704.07	.....	.....	30,125.88
373	Aberdeen .....	.....	.....	126,293.37	.....	.....	112,729.10
376	Eagle Creek .....	.....	.....	14,264.61	.....	.....	12,309.38
Total payments — to Statement 1 ...		\$ 252,227.90	\$ 1,321,179.76	\$ 2,935,005.79	\$ 243,926.46	\$ 1,286,737.01	\$ 2,632,853.15

Municipal Potash Tax Sharing Administration Board

Tax Distribution Fund

Payments made to Participating Urban Municipalities

Year Ended December 31

Schedule 2

Urban Municipality	1989			1988		
	Pense Area	Esterhazy Area	Saskatoon Lanigan Area	Pense Area	Esterhazy Area	Saskatoon Lanigan Area
Village of Aberdeen	\$	\$	\$ 5,469.35	\$	\$	\$ 4,906.23
Town of Allan	34,372.68	.....	.....	30,833.69
Town of Asquith	5,906.47	.....	.....	5,298.35
Village of Atwater	481.28	.....	.....	.....	.....
Village of Bangor	638.79	.....	.....	468.73	.....
Village of Belle Plaine	2,728.50	.....	.....	.....	622.13	.....
Village of Bethune	3,061.24	.....	.....	2,638.69	.....	.....
Village of Bradwell	6,909.65	2,960.49	.....	.....
Town of Bredenbury	6,197.35
Village of Briercrest	1,347.61	4,016.48	.....	.....	3,911.74	.....
Town of Churchbridge	8,855.51	.....	1,303.26	.....	.....
Village of Clavet	14,243.76	.....	8,624.57	.....
Town of Colonsay	20,555.37	.....	.....	12,777.24
Town of Dalmeny	12,367.34	.....	.....	18,439.01
Town of Delisle	41,793.08	.....	.....	11,094.00
Village of Disley	424.25	.....	.....	.....	.....	37,490.10
Village of Drake	2,430.82	410.28	.....	.....
Village of Drinkwater	2,628.68	.....	.....	.....	.....	2,180.55
Village of Elstow	5,970.44	2,542.16	.....	.....
Town of Esterhazy	5,355.72
Village of Gerald	51,592.95	.....	.....	50,247.48	.....
Village of Guernsey	7,000.40	.....	.....	6,817.84	.....
Village of Kinley	7,889.51	.....	.....	7,077.22
Town of Langenburg	607.71	.....	.....	545.13
Town of Langham	10,343.09	.....	.....	10,073.36	.....
Town of Lanigan	11,674.35	.....	.....	10,472.36
Village of Lockwood	57,101.99	.....	.....	51,223.70
Town of Martensville	373.16	.....	.....	334.73
Village of Meacham	17,324.94	.....	.....	15,541.18
Village of Pense	17,202.86	.....	1,460.63	.....	.....	1,310.24
Village of Perdue	16,636.65	.....	.....
Village of Plunkett	4,200.63	.....	.....	3,768.14
Town of Rocanville	1,375.34	.....	.....	1,233.73
Village of Spy Hill	31,921.82	.....	.....	31,089.35	.....
Village of Stockholm	12,180.70	.....	.....	11,863.04	.....
Village of Tantallon	3,491.45	.....	.....	3,400.40	.....
Village of Tuxford	5,600.32	.....	.....	5,454.27	.....
Village of Vanscoy	632.18	.....	.....	611.40	.....	.....
Village of Viscount	13,689.37	.....	.....	12,279.92
Town of Vonda	15,309.91	.....	.....	13,733.62
Town of Warman	3,475.65	.....	.....	3,177.80
Town of Watrous	18,359.10	.....	.....	16,468.86
Village of Welwyn	15,651.08	.....	.....	14,039.66
Village of Yarbo	6,475.37	.....	.....	6,306.50	.....
Village of Young	4,199.59	.....	.....	4,091.36	.....
Village of Zelma	4,531.14	.....	.....	4,064.62
.....	3,068.29	.....	.....	2,756.08
Total payments — to Statement 1 ...	\$ 28,025.32	\$ 146,797.75	\$ 326,111.76	\$ 27,102.93	\$ 142,970.77	\$ 292,599.23

Northern Revenue Sharing Trust Account

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Northern Revenue Sharing Trust Account as at December 31, 1989 and the statements of revenue, expenditure and fund balance and continuity of equity in capital assets for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Trust Account as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements, on a basis consistent with that of the previous year.

Regina, Saskatchewan,
April 5, 1990, except as to Note 2(IX)
which is as of July 24, 1990

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at December 31

Statement 1

	1989	1988
Assets		
Cash		
On Hand — petty cash	\$ 600	\$ 500
On Deposit — demand	4,576,227	3,362,607
— term	7,000,000	7,000,000
	<u>11,576,827</u>	<u>10,363,107</u>
Receivables		
Taxes (Schedule 1)		
— Northern Settlements, Recreational Subdivisions and General (net of allowance for uncollectibles: 1989 — 250,890, 1988 — 226,949)	46,617	24,046
— Northern Hamlets	69,831	82,496
— Northern Villages .....	.....	536
— Schools	704,455	549,739
	<u>820,903</u>	<u>656,817</u>
Current portion of loan receivable	7,965	6,604
Water and sewer (net of allowance for uncollectibles: 1989 — 15,063, 1988 — 13,571)	1,333	3,861
Other receivables (net of allowance for uncollectibles: 1989 — 15,847, 1988 — 18,371)	105,364	1,162,647
	<u>935,565</u>	<u>1,829,929</u>
Other Current Assets		
Prepaid Expenses	10,919	9,466
Stock and Supplies	10,000	10,000
	<u>20,919</u>	<u>19,466</u>
Total Current Assets	<u>12,533,311</u>	<u>12,212,502</u>
Long-term Assets		
Capital Assets (Schedule 2)	8,246,000	8,118,334
Loan Receivable — long term portion	19,178	27,758
Land for Resale	68,540	36,050
Tax Title Property	4,674	4,674
Equity in Uranium City Hospital	(40,733)	39,961
Total Long-term Assets	<u>8,297,659</u>	<u>8,226,777</u>
Total Assets	<u>\$ 20,830,970</u>	<u>\$ 20,439,279</u>

Northern Revenue Sharing Trust Account

Balance Sheet

Statement 1 — Continued

	1989	1988
Liabilities and Fund Balance		
Current		
General Accounts Payable	\$ 1,684,217	\$ 1,707,776
Due to other Authorities on Account of Revenue Collections		
— Northern Lights School Division	55,171	40,787
— Northern Hamlets	2,601	3,180
— Northern Villages	5,260	2,327
Matured Uranium City Loan Debt	3,584	427
Due to other Authorities on Account of Uncollected Taxes		
— Northern Hamlets (Schedule 1)	69,831	82,496
— Northern Villages (Schedule 1)		536
— Schools (Schedule 1)	704,455	549,739
— Northern Village of Ile-a-la-Crosse	6,635	8,163
— Workers' Compensation Board	2,279	2,279
Deferred Grant Revenues	15,794	3,654
Total Current Liabilities	2,549,827	2,401,364
Long-term		
Unmatured Uranium City loan debt	9,341	12,037
Total Liabilities	2,559,168	2,413,401
Reserve for future capital expenditures (Schedule 3)	30,198	28,720
Reserve for future general expenditures (Schedule 4)	928,430	1,003,057
Equity in capital assets (Statement 3 and Schedule 5)	8,281,730	8,150,868
General fund balance (Statement 2)	9,031,444	8,843,233
Total Liabilities and Fund Balance	\$ 20,830,970	\$ 20,439,279

(See accompanying notes)

Northern Revenue Sharing Trust Account

Statement of Revenue, Expenditure and Fund Balance

Statement 2

For the Year Ended December 31

	Northern Settlements	Recreational Subdivisions	Sewer and Water Northern Settlements	General Municipal	1989 Totals	1988 Totals
	(See Schedule 4)	(See Schedule 4)	(See Schedule 4)			
Revenues:						
Net tax levy	\$ 49,553	\$ 44,597	\$	\$ 513,870	\$ 608,020	\$ 565,458
Land leases	42,129	.....	.....	1,275,156	1,317,285	1,940,879
Land sales	1,478	.....	.....	75,192	76,670	183,737
Advances from Consolidated Fund for:						
— Operating grants (Note 3) .....	.....	.....	.....	5,252,700	5,252,700	5,252,700
Operating grants						
— unconditional	566,577	.....	.....	.....	566,577	528,220
Other grants						
— conditional	34,313	.....	.....	.....	34,313	64,171
Capital grants	152,941	.....	.....	.....	152,941	19,823
Interest	84,934	14,439	.....	918,404	1,017,777	842,718
User fees .....	.....	.....	21,816	.....	21,816	23,811
Bad debt allowances reversed	636	15	.....	.....	651	232
Reallocation of capital surplus (Note 6) .....	.....	.....	.....	.....	.....	630,629
Other	29,235	.....	.....	1,084	30,319	27,136
	<u>961,796</u>	<u>59,051</u>	<u>21,816</u>	<u>8,036,406</u>	<u>9,079,069</u>	<u>10,079,514</u>
Expenditures:						
Services — paid direct	736,675	27,298	92,950	.....	856,923	727,840
Capital expenditures	141,174	22,088	.....	4,757	168,019	158,176
Operating grants (Note 3) .....	.....	.....	.....	5,782,349	5,782,349	5,672,939
Capital grants (Note 4) .....	.....	.....	.....	1,729,723	1,729,723	1,311,752
Operating costs .....	.....	.....	.....	321,758	321,758	400,393
Transfers to allowances	9,678	5,254	.....	9,608	24,540	51,521
Transfers to capital reserve	1,478	.....	.....	.....	1,478	3,834
	<u>889,005</u>	<u>54,640</u>	<u>92,950</u>	<u>7,848,195</u>	<u>8,884,790</u>	<u>8,326,455</u>
Excess (Deficit) of Revenues over Expenditures before the undernoted ..	72,791	4,411	(71,134)	188,211	194,279	1,753,059
Change in accumulated operating equity of Uranium City Hospital	(80,695)	.....	.....	.....	(80,695)	129,652
	<u>(7,904)</u>	<u>4,411</u>	<u>(71,134)</u>	<u>188,211</u>	<u>113,584</u>	<u>1,882,711</u>
Amount transferred (to) from reserve for future expenditures of Northern Settlements and Recreational Subdivisions	7,904	(4,411)	71,134	.....	74,627	(733,947)
Excess of Revenue over Expenditures	\$	\$	\$	\$ 188,211	\$ 188,211	\$ 1,148,764
Fund Balance — beginning of year					8,843,233	7,694,469
Fund Balance — end of year (to Statement 1)					<u>\$ 9,031,444</u>	<u>\$ 8,843,233</u>

(See accompanying notes)

Northern Revenue Sharing Trust Account

Statement of Continuity of Equity in Capital Assets

Statement 3

For the Year Ended December 31

	1989	1988
Balance — beginning of year	\$ 8,150,868	\$ 8,640,826
Transferred to Reserve for Future General Expenditures		
— Uranium City (Note 6)		(630,629)
Capital expenditures from Operating Fund	168,019	158,176
Loss on fixed asset disposal	(3,661)	(7,981)
Long term debt retired during the year	2,696	2,510
Adjustment of recognized equity in net capital assets		
of Uranium City Hospital	(36,192)	(12,034)
Balance — end of year (to Statement 1)	\$ 8,281,730	\$ 8,150,868

(See accompanying notes)

Notes to the Financial Statements

December 31, 1989

1. Statutory Authority

The Northern Revenue Sharing Trust Account was established by Section 287 of The Northern Municipalities Act. The purpose of the Trust Account is to administer funds appropriated by the Legislature for the Northern Saskatchewan Administration District and revenues of a municipal nature generated from within the area of the Northern Saskatchewan Administration District outside the boundaries of towns and northern villages. The revenues generated are held, invested and disbursed for the benefit of the District and in payment of capital grants under the Northern Capital Grants Program and of expenses incurred in administering the Trust Account. The administration of the Trust Account is conducted in accordance with the provisions of The Northern Municipalities Act and the regulations under it. Receipts on behalf of towns, northern villages, northern hamlets and school divisions and remittance of those receipts to those entities are not considered revenue and expenditure of the Trust Fund.

2. Significant Accounting Policies

i) Basis of Accounting

The financial statements of the Northern Revenue Sharing Trust Account have been prepared in accordance with accounting policies established by the Department of Urban Affairs for urban municipalities in Saskatchewan and with fixed asset accounting policies established by the Department of Health for hospitals in Saskatchewan on a basis consistent with that of the previous year except as noted below.

The segregation of operating activities and capital activities into separate "funds" and the reporting of those activities by way of separate and distinct financial statements is no longer required by the Department of Urban Affairs. As a result, the operations of the Operating Fund and Capital Fund are now consolidated into one set of financial statements. The comparative figures for 1988 also reflect that consolidation.

The new reporting requirements of the Department of Urban Affairs also stipulate that capital assets are only reflected on the balance sheet to the extent that they are financed by unmatured long term liabilities. These financial statements do not adhere to that reporting requirement in that the capital assets are fully stated as is the Trust Account's equity in those assets.

ii) Northern Revenue Sharing Program Grants

For the purpose of paying operating grants to northern municipalities under the Northern Revenue Sharing Grants Program funds are advanced to the Trust Account from the Consolidated Fund of the Province for the April 1 to March 31 fiscal period of the Government of Saskatchewan. Additional amounts, if required, are funded internally from revenues of the Trust Account. The funds are then disbursed under authority of The Northern Municipalities Revenue Sharing Program Regulations, 1988, chapter N-5.1 Reg 8, to northern municipalities according to a payment schedule; allocated to the community in the case of northern settlements; and disbursed to the Town of Flin Flon, Manitoba under the requirements of The Flin Flon Extension of Boundaries Act, 1952. The disbursements to be made in the January — March quarter are accrued by the trust account at the year end.

iii) Northern Capital Grants Program

General revenues of the Trust Account are used for the purpose of paying capital grants to northern municipalities under the Northern Capital Grants Program. Grant applications under this program are approved by the Minister of Urban Affairs. Following approval, funds are disbursed to northern municipalities, or, in the case of northern settlements, allocated to the community, upon their compliance with The Northern Revenue Sharing Grants Regulations, chapter N-5.1 Reg 5.

Northern Revenue Sharing Trust Account

iv) **Administrative Expenses of the Trust Account**

Expenditures directly incurred for materials, supplies and services utilized in the operation of the Trust Account are paid for out of the funds held in the Trust Account. In addition, the Trust Account is now charged with certain personnel and operational costs of the Prince Albert Land Use Division of the Department of Parks and Renewable Resources. During the year 1989 the Trust Account was charged, by deduction from land revenue remitted and be accrual, a total of \$312,433 (1988 — \$322,400) representing 1989 operating costs related to the Land Use Division. All other administrative expenses of the Trust Account are borne by the Consolidated Fund and these financial statements do not include provisions for such expenses. The estimated administrative expenses borne by the Consolidated Fund on behalf of the Trust Account for the year ended December 31, 1989 totalled \$192,588 (1988 — \$184,758).

v) **Crown Land Leases Revenue**

Revenues from Crown land leases are recognized when monies are received on behalf of the Trust Account by the Department of Parks and Renewable Resources.

vi) **Crown Land Sales Revenue**

Revenues from Crown land instalment sales are recognized when monies are received by the Trust Account.

vii) **Net Tax Levy Revenue**

Taxes are levied annually, covering the period January 1 to December 31. The tax levies shown are net of penalties, cancellations, refunds and discounts.

viii) **Capital Assets Accounting Policy**

Capital assets acquired by the Northern Revenue Sharing Trust Account are recorded at historical cost. As a general rule, capital assets having a cost of \$100 or more are capitalized for accounting purposes. The only exception to that rule would be in the case of office and shop machines and equipment where expenditures of amounts of less than \$100 may be capitalized depending upon the nature of the machines or equipment acquired.

Assets previously acquired on behalf of northern settlements by the Northern Municipal Council are reflected in the financial statements on the basis of an inventory conducted on those assets in 1985.

Valuations of the fixed assets inventoried were established through estimates obtained from suppliers, from governmental sources that had contributed to the asset acquisition, or from management's estimates where other information sources were unknown. The total value established for the inventoried assets so capitalized is \$969,914.

The capital assets of Uranium City Hospital are accounted for on the equity basis and reflect policies in place for Saskatchewan Hospitals. The change in capital assets in each year resulting from net capital additions and depreciation provisions is reflected in the Statement of Continuity of Equity in Capital Fund Assets.

ix) **Uranium City Hospital — Basis of Accounting**

Prior to reversion in status of the Municipal Corporation of Uranium City and District to the status of a town, and subsequently to a northern settlement, the Municipal Corporation operated under a Charter which allowed the municipal council to also function as the Hospital Board of the Uranium City Hospital.

Upon reversion in status, the assets and liabilities of the Northern Settlement were vested in the Minister on behalf of the Northern Settlement. The financial operations of the operating fund of the hospital are accounted for on the equity basis with changes in the net working assets of the hospital being reflected in the Statement of Revenue, Expenditure and Fund Balance. The reported working capital equity (deficiency) in the financial statements does not include an accrual for the estimated funding of current year's operating deficits. As the adjustment is based on future negotiation, the amount, if any, cannot be determined at this time. Amounts when determined are treated as adjustments of reported equity and are accounted for in the year of settlement.

x) **Asset Valuation Allowance**

The Northern Revenue Sharing Trust Account levies, collects and remits municipal taxes on a trust basis on behalf of northern hamlets and school taxes on behalf of the Ile-a-la-Crosse and Northern Lights School Divisions. In that capacity, the Northern Revenue Sharing Trust Account is merely acting as an agent of the northern hamlet and of the school divisions. Accounting policies of the Department of Urban Affairs for urban municipalities in Saskatchewan direct that, with respect to the provision of allowances for uncollected taxes, no provision for uncollectable taxes be made for taxes levied on a trust basis. Accordingly, these financial statements provide an allowance for uncollectable taxes only for uncollected municipal taxes levied with respect to the District outside of the boundaries of northern hamlets.

xi) **Reserve: Future Expenditures of Northern Settlements and Recreational Subdivisions**

Under The Northern Municipalities Act, administrative responsibility and trusteeship over funds of northern settlements and recreational subdivisions rests with the Minister of Urban Affairs through the Trust Account. The reserve represents the accumulated excess of municipal revenues over expenditures and is maintained on an individual northern settlement and recreational subdivision basis. Revenues generated within each northern settlement and recreational subdivision can only be applied toward payment of expenditures for that same community.

Northern Revenue Sharing Trust Account

xii) Interest Earnings

Interest earnings of the fund are allocated on the basis of the monthly balance for each community as accounted for within the reserve for future expenditures of northern settlements and recreational subdivisions along with an allocation to the general balance within the fund balance on the same basis.

3. Northern Revenue Sharing Program Grants

	1989	1988
Funds advanced from the Consolidated Fund	\$ 5,252,700	\$ 5,252,700
Trust Account funds utilized for Northern Revenue Sharing	529,649	420,239
Total Program Funding	<u>\$ 5,782,349</u>	<u>\$ 5,672,939</u>
Grants paid:		
Towns	\$ 563,640	\$ 695,412
Northern Villages	3,498,609	3,139,622
Northern Hamlets	1,110,608	1,329,216
Northern Settlements	566,577	528,221
Town of Flin Flon, Manitoba	16,267	15,939
	5,755,701	5,708,410
Add Grants payable, end of year	1,300,611	1,273,963
Less grants payable, beginning of year	(1,273,963)	(1,309,434)
Total Funds Expended	<u>\$ 5,782,349</u>	<u>\$ 5,672,939</u>

4. Northern Capital Grants Program

Contribution to Northern Capital Grants Program from the Trust Account	\$ 1,729,723	\$ 1,311,752
Total Program Funding	<u>\$ 1,729,723</u>	<u>\$ 1,311,752</u>
Grants paid:		
Towns	\$ 201,474	\$ 49,591
Northern Villages	1,018,201	1,093,866
Northern Hamlets	290,479	166,138
Northern Settlements	152,941	19,823
	\$ 1,663,095	\$ 1,329,418
Add grants payable, end of year	66,628	.....
Less grants payable, beginning of year .....	.....	(17,666)
Total Funds Expended	<u>\$ 1,729,723</u>	<u>\$ 1,311,752</u>

5. Contingent Liability

In 1988 the Province established, by regulation, a new five-year, \$6.2 million Northern Capital Grants Program and directed that the program funding will come from the Fund Balance of the Northern Revenue Sharing Trust Account. The actual funding requirement over the life of the program and in any one year is dependent upon the dollar value of grant applications received and approved by the Minister of Urban Affairs. As at December 31, 1989, the liability of the Trust Account to provide future funding assistance to northern municipalities under this program will not exceed \$3,563,328.

6. Reallocation of Capital Surplus

On May 4, 1988, Regulation No. 27/88, was issued pursuant to section 286 of The Northern Municipalities Act authorizing the usage of capital funds held by the Trust Account on behalf of the Northern Settlement of Uranium City for operational purposes of that northern municipality. As a result of that Regulation, the "Equity in Capital Assets" for the Northern Settlement of Uranium City was reduced by \$630,629. Correspondingly, the "Reserve for Future General Expenditures" for the Northern Settlement of Uranium City was increased by a like amount.

Northern Revenue Sharing Trust Account

Schedule of Taxes Receivable and Asset Valuation Allowance

Schedule 1

As at December 31

	1989		1988	
	Taxes Receivable	Asset Valuation Allowance	Taxes Receivable	Asset Valuation Allowance
General Municipal				
Northern Settlements				
Bear Creek	\$ 192	\$ 67	\$ .....	.....
Brabant Lake	442	304	226	82
Camsell Portage	1,322	1,257	1,108	1,043
Descharme Lake	433	300	206	72
Garson Lake	678	468	323	113
Kinoosao	3,110	2,767	2,396	2,067
Sled Lake	1,307	1,212	1,117	966
Stony Rapids	2,669	1,917	3,903	2,553
Sturgeon Landing	331	258	199	176
Uranium City	216,321	192,108	189,571	183,354
	<u>226,805</u>	<u>200,658</u>	<u>199,049</u>	<u>190,426</u>
Recreational Subdivisions				
East Trout Lake	1,023	657	576	294
Jan Lake	5,979	4,554	4,733	3,142
Keeley Lake	709	397	572	248
Lac La Plonge	1,765	1,135	1,294	846
Little Amyot Lake	551	414	348	266
Little Bear Lake	1,447	774	934	557
Lower Fishing Lake	1,216	1,240	1,306	661
Michel Point	533	366	367	262
Napatak	1,430	837	706	406
Ramsey Bay	2,946	1,751	2,191	1,242
Sturgeon Weir	571	371	382	201
Tower Beach	383	317	273	208
Tyrrell Lake	253	147	260	163
Waden Bay	2,107	1,479	1,446	819
Whelan Bay	2,056	1,162	1,581	1,047
	<u>22,969</u>	<u>15,601</u>	<u>16,969</u>	<u>10,362</u>
Northern Dispositions	<u>47,733</u>	<u>34,631</u>	<u>34,977</u>	<u>26,161</u>
Total General Municipal (to Statement 1)	\$ 297,507	\$ 250,890	\$ 250,995	\$ 226,949

Northern Revenue Sharing Trust Account

	1989	1988
	Taxes Receivable	Taxes Receivable
Northern Hamlets		
Cole Bay	\$ 1,224	\$ 1,435
Deschambault Lake	36,699	31,117
Dore Lake	1,632	1,792
Michel Village	2,485	2,113
Missinipe	1,583	1,190
Patuanak	342	261
Pelican Narrows .....	.....	21,731
St. George's Hill	327	255
Southend .....	.....	99
Stanley Mission	2,456	2,377
Timber Bay	548	337
Turnor Lake	2,372	1,789
Weyakwin	5,216	4,383
Wollaston Lake	14,947	13,617
Total Northern Hamlets (to Statement 1)	<u>\$ 69,831</u>	<u>\$ 82,496</u>
Northern Villages		
Jans Bay	\$	\$ 536
Total Northern Villages (to Statement 1)	<u>\$</u>	<u>\$ 536</u>
Schools		
Ile-a-la-Crosse School Division	\$ 18,598	\$ 18,121
Northern Lights School Division	685,857	531,618
Total Schools (to Statement 1)	<u>\$ 704,455</u>	<u>\$ 549,739</u>

Schedule of Capital Assets

For the Year Ended December 31, 1989

Schedule 2

	Balance Dec. 31/88	Acquired From Operating Revenues	Disposals	Other	Balance Dec. 31/89
Administration — land, buildings and equipment	\$ 246,118	\$ 20,259	\$ (3,046)	\$ 449	\$ 263,780
Fire protection	311,162	24,122	.....	401	335,685
Heliport	5,090	.....	.....	.....	5,090
Public Works	1,040,307	56,317	(1,115)	(617)	1,094,892
Sanitation grounds	3,821	.....	.....	.....	3,821
Community service facilities	2,932,563	62,936	.....	(13,524)	2,981,975
RCMP building and equipment	636,374	.....	.....	.....	636,374
Water and sewer facilities	2,574,290	4,385	.....	13,291	2,591,966
Public housing	21,370	.....	.....	.....	21,370
	<u>7,771,095</u>	<u>168,019</u>	<u>(4,161)</u>	<u>.....</u>	<u>7,934,953</u>
Net capital assets of Uranium City Hospital ..	347,239	.....	.....	(36,192)	311,047
Total (to Statement 1)	<u>\$ 8,118,334</u>	<u>\$ 168,019</u>	<u>\$ (4,161)</u>	<u>\$ (36,192)</u>	<u>\$ 8,246,000</u>

Northern Revenue Sharing Trust Account

Schedule of Reserve for Future Capital Expenditure

As at December 31

Schedule 3

	1989	1988
Northern Settlements		
Brabant Lake	\$ 7,686	\$ 7,686
Camsell Portage	2,619	2,619
Kinoosao	4,922	4,341
Sled Lake	5,588	5,161
Stony Rapids	7,383	6,913
Sturgeon Landing	2,000	2,000
Total Reserve (to Statement 1)	\$ 30,198	\$ 28,720

Northern Revenue Sharing Trust Account

Schedule of Continuity of Reserve for Future Expenditures of Northern Settlements and Recreational Subdivisions

For the Year Ended December 31, 1989

1989 Revenues

	Community Balance 31/12/88	Tax Levies	Lease Fees	Interest Earned	Water and Sewer Fees	Unconditional Operating Grants	Conditional Operating Grants	Capital Grants	Land Sales	Other
Northern Settlements										
Bear Creek	\$	192 \$	.....	1,241 \$	.....	\$	32,403 \$	33,713 \$	17,755 \$	.....
Brabant Lake	110,505	2,007	1,014	10,489	.....	73,086	.....	.....	.....	1,325
Camsell Portage	44,707	753	.....	5,665	.....	44,608	.....	8,154	.....	.....
Descharme	12,088	210	.....	913	.....	43,454	.....	14,377	.....	.....
Garson Lake	19,743	275	.....	2,293	.....	43,415	.....	19,643	.....	200
Kinoosao	115,132	1,359	210	13,146	.....	52,993	.....	3,538	581	.....
Sled Lake	547	1,063	109	1,212	.....	42,184	.....	14,155	427	742
Stony Rapids	119,533	6,622	7,144	14,439	.....	105,692	.....	28,640	470	20,990
Sturgeon Landing	183,979	1,177	25	20,550	.....	42,868	600	.....	.....	540
Uranium City	267,509	35,895	33,627	14,986	21,816	85,874	.....	46,679	.....	5,438
	873,743	49,553	42,129	84,934	21,816	566,577	34,313	152,941	1,478	29,235
Recreational Subdivisions										
East Trout Lake	1,921	2,581	.....	299	.....	.....	.....	.....	.....	.....
Jan Lake	17,436	4,337	.....	1,659	.....	.....	.....	.....	.....	.....
Keeley Lake	2,829	763	.....	313	.....	.....	.....	.....	.....	.....
Lac La Plonge	1,797	2,600	.....	238	.....	.....	.....	.....	.....	.....
Little Amyot Lake	5,119	726	.....	542	.....	.....	.....	.....	.....	.....
Little Bear Lake	33,467	5,711	.....	3,523	.....	.....	.....	.....	.....	.....
Lower Fishing Lake	2,243	.....	.....	405	.....	.....	.....	405	.....	.....
Michel Point	317	2,394	.....	122	.....	.....	.....	.....	.....	.....
Napatak	4,126	3,460	.....	458	.....	.....	.....	.....	.....	.....
Ramsey Bay	41,830	8,944	.....	4,184	.....	.....	.....	.....	.....	.....
Sturgeon Weir	4,576	520	.....	466	.....	.....	.....	.....	.....	.....
Tower Beach	(622)	767	.....	9	.....	.....	.....	.....	.....	.....
Tyrell Lake	2,643	527	.....	293	.....	.....	.....	.....	.....	.....
Waden Bay	7,730	3,387	.....	875	.....	.....	.....	.....	.....	.....
Whelan Bay	3,902	7,880	.....	1,053	.....	.....	.....	.....	.....	.....
	129,314	44,597	.....	14,439	.....	.....	.....	.....	.....	.....
Reserve Balance (to Statement 1)	\$ 1,003,057	\$ 94,150	\$ 42,129	\$ 99,373	\$ 21,816	\$ 566,577	\$ 34,313	\$ 152,941	\$ 1,478	\$ 29,235

Northern Revenue Sharing Trust Account

Schedule 4 — (Continued)

	1989 Expenditures					Change in Accumulated Equity in Uranium City Hospital	Community Balance 31/12/89
	Transfers To (From) Allowances	Transfers To Capital Reserve	Services Paid	Capital Expenditure	Water & Sewer Expense		
Northern Settlements							
Bear Creek	\$ 67	\$	\$ 52,787	\$ 7,807	\$	\$	\$ 24,643
Brabant Lake	222	.....	71,522	.....	.....	.....	126,682
Camsell Portage	213	.....	31,257	9,431	.....	.....	62,986
Descharme	227	.....	54,180	12,975	.....	.....	3,660
Garson Lake	355	.....	47,614	10,135	.....	.....	27,465
Kinoosao	700	581	44,472	4,206	.....	.....	137,000
Sled Lake	246	427	34,622	17,039	.....	.....	8,105
Stony Rapids	(636)	470	151,207	33,251	.....	.....	119,238
Sturgeon Landing	82	.....	13,499	300	.....	.....	235,858
Uranium City	7,566	.....	235,515	46,030	92,950	80,695	49,068
	9,042	1,478	736,675	141,174	92,950	80,695	794,705
Recreational Subdivisions							
East Trout Lake	363	.....	186	.....	.....	.....	4,252
Jan Lake	1,412	.....	3,979	.....	.....	.....	18,041
Keeley Lake	150	.....	22	.....	.....	.....	3,733
Lac La Plonge	289	.....	1,260	.....	.....	.....	3,086
Little Amyot Lake	148	.....	16	.....	.....	.....	6,223
Little Bear Lake	217	.....	1,898	17,982	.....	.....	22,604
Lower Fishing Lake	579	.....	195	.....	.....	.....	1,874
Michel Point	104	.....	1,731	.....	.....	.....	998
Napatak	431	.....	2,633	.....	.....	.....	4,980
Ramsey Bay	509	.....	9,379	4,106	.....	.....	40,964
Sturgeon Weir	169	.....	16	.....	.....	.....	5,377
Tower Beach	109	.....	968	.....	.....	.....	(923)
Tyrrell Lake	(15)	.....	30	.....	.....	.....	3,448
Waden Bay	659	.....	1,563	.....	.....	.....	9,770
Whelan Bay	115	.....	3,422	.....	.....	.....	9,298
	5,239	.....	27,298	22,088	.....	.....	133,725
Reserve Balance (to Statement 1)	\$ 14,281	\$ 1,478	\$ 763,973	\$ 163,262	\$ 92,950	\$ 80,695	\$ 928,430

Northern Revenue Sharing Trust Account

Schedule of Equity in Capital Assets

Schedule 5

As at December 31

	1989			1988
	Equity Represented by			
	Funds on Deposit	Fixed Assets	Total Equity	Total Equity
Northern Settlements				
Bear Creek	\$	\$ 7,807	\$ 7,807	\$
Brabant Lake	1,500	169,229	170,729	170,729
Camsell Portage .....	.....	84,700	84,700	75,270
Descharme Lake .....	.....	45,783	45,783	32,808
Garson Lake .....	.....	76,753	76,753	66,617
Kinoosao	1,928	144,305	146,233	142,028
Sled Lake	300	253,819	254,119	237,696
Stony Rapids	1,600	578,300	579,900	549,694
Sturgeon Landing .....	.....	120,500	120,500	120,200
Uranium City	10,931	6,616,726	6,627,657	6,615,122
	16,259	8,097,922	8,114,181	8,010,164
Recreational Subdivisions				
East Trout Lake .....	.....	13,255	13,255	13,255
Lac La Plonge .....	.....	495	495	495
Little Bear Lake .....	.....	22,807	22,807	4,825
Lower Fishing Lake .....	.....	18,082	18,082	18,082
Ramsey Bay .....	.....	4,106	4,106	.....
Waden Bay .....	.....	918	918	918
Whelan Bay	4,000	18,428	22,428	22,428
	4,000	78,091	82,091	60,003
General	15,471	69,987	85,458	80,701
Total Equity (to Statement 1)	\$ 35,730	\$ 8,246,000	\$ 8,281,730	\$ 8,150,868

Saskatchewan Archives Board

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of The Saskatchewan Archives Board as at March 31, 1990 and the statements of revenue, expenditure and balance of fund and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at March 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
September 14, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Saskatchewan Archives Board

Balance Sheet

As At March 31

Statement 1

	1990	1989
Assets		
Current:		
Due from The University of Saskatchewan	\$ 105,571	\$
Accounts receivable	19,453	5,161
Grant receivable — Department of Parks, Recreation and Culture .....	.....	200,000
	<u>125,024</u>	<u>205,161</u>
Fixed:		
Equipment — owned	289,422	269,016
— under capital lease (Note 2)	22,549	.....
	<u>\$ 436,995</u>	<u>\$ 474,177</u>
Liabilities and Equity		
Current liabilities:		
Due to The University of Saskatchewan	\$	\$ 64,483
Accounts payable	33,900	17,128
Deferred revenue	18,958	10,208
Obligation under capital lease (Note 2)	22,549	.....
	<u>75,407</u>	<u>91,819</u>
Equity:		
Equity in fixed assets	289,422	269,016
Balance of fund (Statement 2)	72,166	113,342
	<u>361,588</u>	<u>382,358</u>
	<u>\$ 436,995</u>	<u>\$ 474,177</u>

(See accompanying notes to the financial statements)

Saskatchewan Archives Board

Statement of Revenue, Expenditure and Balance of Fund

Statement 2

For the Year Ended March 31

	1990	1989
Revenue:		
Grants:		
Department of Parks, Recreation and Culture	\$ 1,277,700	\$ 1,339,300
Department of Culture, Multiculturalism and Recreation	22,500	.....
Department of Education	20,000	27,800
City of Saskatoon	36,636	36,771
City of Regina	35,000	35,000
Canadian Council of Archives	67,762	94,500
Multicultural Council of Saskatchewan .....	.....	1,000
Photocopy sales	45,426	27,347
Magazine sales	10,323	6,749
Miscellaneous	9,778	5,569
	<u>1,525,125</u>	<u>1,574,036</u>
Expenditures:		
Salaries and benefits	958,541	864,555
Administrative services	531,712	608,433
Printing and postage	39,759	40,467
Equipment	20,406	56,829
Materials and supplies	15,883	15,000
	<u>1,566,301</u>	<u>1,585,284</u>
Excess expenditure over revenue	(41,176)	(11,248)
Balance of fund, beginning of year	113,342	124,590
Balance of fund, end of year — to Statement 1	<u>\$ 72,166</u>	<u>\$ 113,342</u>

(See accompanying notes to the financial statements)

Statement of Changes in Financial Position

Statement 3

For the Year Ended March 31

	1990	1989
Cash provided by (used in) operating activities		
Excess of expenditure over revenue	\$ (41,176)	\$ (11,248)
Add back: amortization of lease	7,923	.....
Net change in non-cash working capital balances	211,230	(199,472)
Cash provided by (used in) operating activities	<u>177,977</u>	<u>(210,720)</u>
Cash provided by (used in) investing activities		
Fixed asset acquired through capital lease	(30,472)	.....
Cash provided by (used in) financing activities		
Obligation under capital lease	30,472	.....
Less: repayment of obligation	(7,923)	.....
Cash provided by (used in) financing activities	<u>22,549</u>	<u>.....</u>
Total cash provided (used) during the year	<u>170,054</u>	<u>(210,720)</u>
Due (to)/from The University of Saskatchewan, beginning of year	(64,483)	146,237
Due (to)/from The University of Saskatchewan, end of year	<u>\$ 105,571</u>	<u>\$ (64,483)</u>

(See accompanying notes to the financial statements)

Saskatchewan Archives Board

Notes to the Financial Statements

March 31, 1990

1. Accounting Policies

These financial statements are prepared in accordance with the following accounting policies which are considered appropriate for organizations of this type.

a) Accrual Accounting

The financial statements are prepared in accordance with the accrual basis of accounting except that no depreciation is charged against fixed assets.

b) Fixed Assets

The Saskatchewan Archives Board follows the policy of charging to current year's expenditure the full cost of all fixed assets purchased during the year. Equipment costing in excess of \$1,000 purchased after March 31, 1975 is also recorded at cost on the balance sheet, with a corresponding figure recorded as Equity in Fixed Assets.

The cost of equipment acquired under capital lease arrangements is amortized over the term of the lease. The Board has placed a nil value on the permanent collection of archival materials for financial statement purposes.

The cost of materials used to preserve the archival collection is expensed.

2. Capital Lease Obligation

The Saskatchewan Archives Board has entered into a capital lease agreement for computer equipment. Future lease payments under this agreement are as follows:

1991	\$ 17,388
1992	7,245
	<hr/>
	24,633
Less interest at 13.8%	(2,084)
	<hr/>
	\$ 22,549

During the year, lease repayments totalled \$10,143 of which \$2,220 related to interest costs. At the end of the lease The Saskatchewan Archives Board has the option to purchase this equipment based on fair market value.

3. Authority

The Saskatchewan Archives Board was established under the authority of The Archives Act for the purpose of acquiring and preserving historical documents relating to the history of Saskatchewan and providing these documents to the public for research purposes.

4. Related Party Transactions

Administrative services are provided at nominal charge to the Board by The University of Saskatchewan and the University of Regina.

The Board pays the Saskatchewan Property Management Corporation for office space it leases in Regina. Lease payments totalled \$421,274 in 1990 (1989 — \$499,300).

Other amounts due to/from related parties and the terms of settlement are described separately in the financial statements and the notes thereto.

The Saskatchewan Research Council Employees' Pension Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of The Saskatchewan Research Council Employees' Pension Fund as at December 31, 1989 and the statement of fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
April 27, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at December 31

Statement 1

	1989	1988
Assets		
Cash	\$ 711	\$ 1,000
Contributions and other receivables	45,374	.....
Investments (Note 4)	16,623,157	14,182,141
	<u>\$ 16,669,242</u>	<u>\$ 14,183,141</u>
Liabilities and Fund Balance		
Liabilities:		
Pensions and other payables	\$ 28,370	\$ 132,895
Fund balance (Statement 2)	16,640,872	14,050,246
	<u>\$ 16,669,242</u>	<u>\$ 14,183,141</u>

(See accompanying notes to the financial statements)

Statement of Fund Balance

Year Ended December 31

Statement 2

	1989	1988
Fund balance, beginning of year	\$ 14,050,246	\$ 12,433,350
Add:		
Contributions		
— Employer	418,830	466,267
— Employee	425,783	428,460
Increase in net asset value of investments	2,810,317	1,355,290
Early retirement contribution	280,603	241,722
	<u>3,935,533</u>	<u>2,491,739</u>
Deduct:		
Refunds upon termination	739,150	408,121
Retirement benefits	280,112	225,000
Early retirement incentive	280,603	241,722
Administration	45,042	.....
	<u>1,344,907</u>	<u>874,843</u>
Fund balance, end of year (Statement 1)	<u>\$ 16,640,872</u>	<u>\$ 14,050,246</u>

(See accompanying notes to the financial statements)

The Saskatchewan Research Council Employees' Pension Fund

Notes to the Financial Statements

December 31, 1989

1. Description of the Pension Fund

The Saskatchewan Research Council Employees' Pension Plan was established May 1, 1974 for the purpose of providing retirement income to the Council's employees. The Plan is a defined benefit final average pension plan funded by specified monthly employee contributions for past and/or current service and by the Council's regular contributions.

The Plan directs that all the contributions, investment income and any other assets received for the purposes of the Plan will be deposited in the Pension Fund, and all benefits under the Plan paid therefrom.

2. Significant Accounting Policies

a) Investments

Investments of the Fund are comprised of shares in four mutual funds managed by the Fund's investment advisor and shares in a Pooled Diversifund. Two of the mutual funds, the "Pooled Pension Trust" and the "U.S. Pooled Pension Trust" are equity funds, while the "Bond Fund and Money Fund" are fixed income funds. The "Pooled Diversifund" is a combined fixed income — equity fund.

Contributions paid into the Pension Fund are used to purchase shares in the four mutual funds managed by the investment agency. No further shares will be purchased in the "Pooled Diversifund", which was received when a number of employees transferred to The Saskatchewan Research Council Employees' Pension Plan from a previous Plan administered by The Mutual Life Assurance Company of Canada. The "Pooled Diversifund" shares were sold in 1989.

Additional shares are acquired when periodic distributions are made by the funds. Cash dividends are not paid by the funds; however, investors can realize changes in the underlying share values by redeeming shares of the funds.

The shares in the five funds are recorded in the accounts at their net asset value per share. Net asset value per share is the market value of the investments in the particular fund's portfolio divided by the total number of outstanding shares in that fund. With respect to the U.S. Pooled Pension Trust, the market values of investments have been translated into Canadian dollars at the rate of exchange prevailing at year end. The Pension Fund follows the practices of recording the adjustment necessary to record its shares in the funds at net asset value as an increase or decrease in the Fund balance.

b) Administration Costs

Effective January 1, 1989, expenses incurred in the operation of the Fund are paid from the Fund. Increases (decreases) in net asset value are shown net of management fees charged by the investment agency.

3. Actuarial Valuation

An actuarial valuation was performed as at January 1, 1988 on The Saskatchewan Research Council Employees' Pension Plan. The actuary stated that using the accrued benefit actuarial cost method, the present value of accumulated benefits resulting from services provided to the valuation date was \$10,838,732. The actuary also stated that the value of Pension Fund assets was \$13,370,052 based on averaged market values. The resulting net actuarial surplus was stated to be \$2,531,320.

The next actuarial valuation is required to be performed no later than as at January 1, 1991.

4. Investments

	1989					1988	
	<i>Pooled Diversifund</i>	<i>Bond Fund</i>	<i>Pooled Pension Trust</i>	<i>U.S. Pooled Pension Trust</i>	<i>Money Fund</i>	<i>Total</i>	<i>Total</i>
Investments at cost ..	\$ (154,416)	\$ 3,135,643	\$ 2,222,921	\$ 736,706	\$ 827,412	\$ 6,768,266	\$ 7,137,567
Accumulated increase in net asset value	154,416	3,472,807	5,239,627	916,335	71,706	9,854,891	7,044,574
Investments at net asset value	\$	\$ 6,608,450	\$ 7,462,548	\$ 1,653,041	\$ 899,118	\$ 16,623,157	\$ 14,182,141

Saskatchewan Sheep and Wool Marketing Commission

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Saskatchewan Sheep and Wool Marketing Commission as at October 26, 1989 and the statements of revenue, expenditure and retained earnings and changes in cash resources for the period then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at October 26, 1989 and the results of its operations and the changes in its financial position for the period then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
June 29, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at

Statement 1

	October 26, 1989	December 31, 1988
Assets		
Current		
Cash	\$ 14,952	\$ 29,129
Accounts receivable	32,883	3,900
Inventories	5,671	5,335
Prepaid expense	876	629
	<u>54,382</u>	<u>38,993</u>
Furniture and equipment	9,236	12,701
	<u>\$ 63,618</u>	<u>\$ 51,694</u>
Liabilities and Equities		
Current		
Accounts payable	\$ 37,575	\$ 10,149
Equity		
Retained earnings — Statement 2	16,807	28,844
Fixed assets	9,236	12,701
	<u>26,043</u>	<u>41,545</u>
	<u>\$ 63,618</u>	<u>\$ 51,694</u>

(See accompanying notes to the financial statements)

Saskatchewan Sheep and Wool Marketing Commission

Statement of Revenue, Expenditure and Retained Earnings

For the Period Ended

Statement 2

	October 26, 1989	December 31, 1988
Revenue		
Department of Agriculture and Food grants		
— Administration	\$ 25,700	\$ 58,200
— ERDA Project (Note 5)	12,800	17,513
— Tripartite Program (Note 6)	16,617	21,695
Check-off fees	11,923	25,541
Sale of sheepman's supplies	17,666	24,179
Other	531	34,048
	<u>\$ 85,237</u>	<u>\$ 181,176</u>
Expenditure		
Salaries and benefits (Note 4)	\$ 48,129	\$ 87,444
General	33,125	38,155
Cost of sales — sheepman's supplies (Note 3)	12,365	18,563
ERDA Project — leasing of land		8,500
(Note 5) — maintenance of pasture		14,024
— general	3,655	10,346
— market study		5,400
	<u>\$ 97,274</u>	<u>\$ 182,432</u>
Excess of expenditure over revenue	(12,037)	(1,256)
Retained earnings, beginning of period	28,844	30,100
Retained earnings, end of period — Statement 1	<u>\$ 16,807</u>	<u>\$ 28,844</u>

(See accompanying notes to the financial statements)

Statement of Changes in Cash Resources

For the Period Ended

Statement 3

	October 26, 1989	December 31, 1988
Cash provided by (used in):		
Operating Activities		
Excess of expenditure over revenue — Statement 2	\$ (12,037)	\$ (1,256)
Net change in non-cash working capital items:		
(Increase) decrease in accounts receivable	(28,983)	31,812
(Increase) in inventory	(336)	(60)
(Increase) decrease in prepaid expenses	(247)	231
Increase (decrease) in accounts payable	27,426	(12,736)
	<u>(2,140)</u>	<u>19,247</u>
Cash (used) provided by operating activities	<u>(14,177)</u>	<u>17,991</u>
Net (decrease) increase in cash	(14,177)	17,991
Cash, beginning of period	29,129	11,138
Cash, end of period	<u>\$ 14,952</u>	<u>\$ 29,129</u>

(See accompanying notes to the financial statements)

Saskatchewan Sheep and Wool Marketing Commission

Notes to Financial Statements

October 26, 1989

1. Accounting Policies

- i) The Commission records fixed asset purchases as expenditures in the year of purchase and records fixed asset disposals as revenue in the year of sale. The Commission discloses the cumulative cost of the fixed assets as "Furniture and equipment" on the balance sheet with a corresponding entry to "Equity — Fixed Assets".
- ii) Inventory is valued at the lower of cost and net realizable value.
- iii) Department of Agriculture and Food administration grants are recorded upon receipt.
- iv) Other Department of Agriculture and Food grants received for specific purposes are included in revenue to the extent of related expenses incurred during the year.
- v) Check-off fees are recorded as revenue in the period that the monies are received.

2. Status of the Commission

The Commission was established by Order-in-Council 1534/74 and is continued under Section 38 of *The Natural Products Marketing Act*. The Commission was created to provide for the promotion, control, and regulation of the marketing of sheep and wool within the Province of Saskatchewan.

3. Cost of Sales — Sheepman's Supplies

	1989	1988
Beginning inventory, January 1	\$ 5,335	\$ 5,275
Purchases for the period	12,701	18,623
	18,036	23,898
Less: Ending inventory, October 26 (December 31 — 1988)	5,671	5,335
Cost of sales	\$ 12,365	\$ 18,563

4. Commissioners' and Manager's Remuneration

During 1989, the Commissioners of the Saskatchewan Sheep and Wool Marketing Commission received \$11,910 in remuneration (1988 — \$1,505). Management of the Commission in 1989 received \$36,618 in remuneration (1988 — \$36,090).

5. ERDA Project

The Commission has an agreement with the Department of Agriculture — Province of Saskatchewan to conduct extension research and development on irrigated sheep pastures (ERDA Project) and a market study on the sheep industry, which is considered to be part of the overall ERDA Project.

6. Tripartite Program

In 1986, the Commission agreed to act as an agent for the Department of Agriculture — Province of Saskatchewan to administer the Province's part of the administration of The National Tripartite Stabilization Scheme for Lambs established by a federal-provincial agreement. The related costs incurred to administer this agreement have been included in the expenditures of the Commission. In 1989, the Commission received a grant from the Province of Saskatchewan of \$16,617 (1988 — \$21,695) pursuant to Schedule C of the agreement to cover the costs of administration of this agreement.

7. Related Parties

Related parties to the Commission are Saskatchewan's crown controlled departments, agencies and corporations. Transactions with these agencies are recorded at normal market prices except as described herein.

8. Subsequent Events

On October 26, 1989, the Saskatchewan Sheep and Wool Marketing Commission was disestablished pursuant to subsection 3(4) of the Sheep Development Plan regulations. Accordingly, all of the assets, liabilities and contracts of the Commission were transferred to and become assets, liabilities and contracts of the Saskatchewan Sheep Development Board pursuant to subsection 3(2) of the Sheep Development Plan regulations. The assets and liabilities transferred are those shown on the balance sheet.

South Saskatchewan River Irrigation District No. 1

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the South Saskatchewan River Irrigation District No. 1 as at December 31, 1989 and the statements of income, retained earnings and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the South Saskatchewan River Irrigation District No. 1 as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
January 26, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As at December 31

Statement 1

	1989	1988
Assets		
Current		
Cash and short-term investments	\$ 630,100	\$ 559,608
Accounts receivable	149,325	199,603
Accrued interest receivable	12,028	3,664
Prepaid expense	1,390	1,626
	<u>792,843</u>	<u>764,501</u>
Other designated assets		
Irrigation system replacement reserve (Note 4)	1,116,495	1,007,094
Equipment replacement reserve (Note 5)	63,964	166,915
Fixed assets (Note 6)	298,189	139,293
	<u>\$ 2,271,491</u>	<u>\$ 2,077,803</u>
Liabilities and Equity		
Liabilities		
Accounts payable and accrued liabilities	\$ 7,432	\$ 8,090
Equity		
Contributed surplus	143,400	143,400
Retained earnings (Statement 3)	2,120,659	1,926,313
Total equity	<u>2,264,059</u>	<u>2,069,713</u>
Total liabilities and equity	<u>\$ 2,271,491</u>	<u>\$ 2,077,803</u>

(See accompanying notes to the financial statements)

South Saskatchewan River Irrigation District No. 1

Statement of Income

Year Ended December 31

Statement 2

	1989	1988
Revenue		
Province of Saskatchewan grants (Note 8)	\$ 25,255	\$ 24,769
Water rate charges and penalties	396,989	416,885
Custom work revenue	83,174	36,372
Other revenue	25,749	208,582
Total revenue	531,167	686,608
Expenses		
Salaries and employee benefits	259,088	273,939
Pumping cost — power	147,951	358,782
Operations and maintenance	64,295	63,369
Depreciation	30,253	27,801
Fees and licences	6,589	5,480
Professional services	2,158	1,077
Travel and sustenance	2,337	2,377
Insurance	5,217	5,057
Bad debt expense	5,208	10,790
Other	21,302	11,143
Total expenses	544,398	759,815
Income from operations	(13,231)	(73,207)
Interest income	189,527	126,305
Gain on sale of fixed assets	18,050	.....
Net income for year (Statement 3)	\$ 194,346	\$ 53,098

(See accompanying notes to the financial statements)

Statement of Retained Earnings

Year Ended December 31

Statement 3

	1989	1988
Retained Earnings		
Unappropriated		
Balance — beginning of year	\$ 752,304	\$ 792,571
Add: net income (Statement 2)	194,346	53,098
Transfers from — Equipment replacement reserve	174,745	29,948
	1,121,395	875,617
Deduct: Transfers to:		
— Irrigation system replacement reserve	(109,401)	(82,430)
— Equipment replacement reserve	(71,794)	(40,883)
Balance, end of year	940,200	752,304
Appropriated (Note 3)		
Irrigation system replacement reserve		
Balance — beginning of year	1,007,094	924,664
Add: Transfer from unappropriated retained earnings	109,401	82,430
Balance, end of year (Note 4)	1,116,495	1,007,094
Equipment replacement reserve (Note 3)		
Balance — beginning of year	166,915	155,980
Add: Transfer from unappropriated retained earnings	71,794	40,883
Deduct: Transfers to unappropriated retained earnings	(174,745)	(29,948)
Balance, end of year (Note 5)	63,964	166,915
Total retained earnings, end of year (Statement 1)	\$ 2,120,659	\$ 1,926,313

(See accompanying notes to the financial statements)

South Saskatchewan River Irrigation District No. 1

Statement of Changes in Financial Position

Year ended December 31

Statement 4

	1989	1988
Cash provided by (used in):		
Operating activities:		
Net income	\$ 194,346	\$ 53,098
Add (deduct) items not requiring or generating cash:		
— Depreciation	30,253	27,801
— Gain on sale of fixed assets	(18,050)	.....
	206,549	80,899
Net change in non-cash working capital items	21,191	191,712
	227,740	272,611
Financing activities:		
Increase in other designated assets	(6,450)	(93,365)
Investment activities:		
Purchase of fixed assets	(175,098)	(1,950)
Proceeds from sale of fixed assets	24,300	.....
Net increase (decrease) in cash position	70,492	177,296
Cash and short-term investments, beginning of year	559,608	382,312
Cash and short-term investments, end of year	\$ 630,100	\$ 559,608

(See accompanying notes to the financial statements)

Notes to the Financial Statements

December 31, 1989

1. Accounting Policies

- Fixed assets are recorded at cost, except for assets sold to South Saskatchewan River Irrigation District No. 1 by the Department of Agriculture for the sum of \$1.00. These assets are valued at estimated net book value at the time of the transfer, April 1, 1976, with a corresponding amount reflected in contributed surplus.
- Depreciation is calculated on a straight-line basis with annual rates determined by expected yearly use. A maximum of fifteen years was used to depreciate assets purchased from Saskatchewan Agriculture.
- Long-term and short-term investments are stated at cost which approximate the market value.
- In accordance with established government practice, the District has not been charged with occupancy costs and no provision for such costs is reflected in these financial statements. These costs together with certain salary costs are absorbed by various departmental appropriations.

2. Establishment of the District

In accordance with Section 3 of The South Saskatchewan River Irrigation Act, 1978, the District was established by Order-in-Council 1858/66 dated September 23, 1966. Effective April 1, 1976 the Board of Trustees of the District assumed responsibility from the Department of Agriculture for the administration, operation and maintenance of the South Saskatchewan River Irrigation District No. 1.

In accordance with Order-in-Council 1169/82, the 1982 Board, which consisted of three nominated and two appointed trustees, was terminated, effective December 31, 1982. Elections were held prior to December 31, 1982 and a five member Board was elected to serve on and from January 1, 1983 in accordance with The South Saskatchewan River Irrigation Act, 1978.

3. Retained Earnings

The District has adopted the policy of appropriating retained earnings to establish the following reserves:

- Irrigation System Replacement Reserve**
This reserve is to provide for the cost of major improvement or capital replacement of the irrigation system.
- Equipment Replacement Reserve**
This reserve is to provide for the cost of maintaining and replacing equipment.

South Saskatchewan River Irrigation District No. 1

4. Irrigation System Reserve

The amount appropriated in the current year is \$109,401 (1988 — \$82,430) which represents interest earned by the designated assets.

The following assets have been designated as relating to the Irrigation System Replacement Reserve:

	1989	1988
Cash and Short-term investment	\$ 1,061,171	\$ 968,325
Accrued interest receivable	55,324	38,769
	<u>\$ 1,116,495</u>	<u>\$ 1,007,094</u>

5. Equipment Replacement Reserve

The amount appropriated in the current year is \$71,794 (1988 — \$40,883) of which \$30,253 is depreciation estimates, \$13,541 is interest earned by the designated assets and \$28,000 was appropriated to cover cost of equipment to be purchased in 1990.

The following assets have been designated as relating to the Equipment Replacement Reserve:

	1989	1988
Cash and short-term investment	\$ 63,172	\$ 165,082
Accrued interest receivable	792	1,833
	<u>\$ 63,964</u>	<u>\$ 166,915</u>

6. Fixed assets

	Cost	Accumulated Depreciation	Book Value Dec. 31, 1989	Book Value Dec. 31, 1988
Operations and maintenance				
equipment	\$ 495,359	\$ 204,000	\$ 291,359	\$ 131,525
Small tools	4,043	3,720	323	47
Radio equipment	8,150	5,887	2,263	2,742
Metering equipment	4,323	4,323	.....	.....
Office equipment	8,500	4,256	4,244	4,979
	<u>\$ 520,375</u>	<u>\$ 222,186</u>	<u>\$ 298,189</u>	<u>\$ 139,293</u>

7. Capital Costs of Irrigation System and Works

With the transfer of the management of the District to the Board of Trustees effective April 1, 1976, fixed assets used in the operations of the District were sold to the District by the Department of Agriculture (Note 1a). The capital costs of the irrigation systems and works in place at the time of transfer have not been included in the assets of the District. These costs were originally reported in the Public Accounts of the Province of Saskatchewan in the Department of Agriculture.

8. Grant Revenue

According to the January 1, 1980 Memorandum of Understanding, between the Department of Agriculture (which has been assumed by the Saskatchewan Water Corporation) and the South Saskatchewan River Irrigation District No. 1 Board, the following was agreed upon:

The Saskatchewan Water Corporation would provide for the difference in gross revenue from operation and maintenance on the developed acreage for irrigation and the 42,000 acre base. In 1989, the grant amounted to \$25,255 (1988 — \$24,769).

The Municipal Employees' Superannuation Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of The Municipal Employees' Superannuation Fund as at December 31, 1989 and the statement of changes in fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the fund as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Saskatchewan,
April 18, 1990.

G. F. Wendel, C.A.,
A/Provincial Auditor.

Balance Sheet

As At December 31

Statement 1

	1989	1988
Assets		
Cash	\$ 1,046,525	\$ 855,981
Contributions and other accounts receivable	1,323,118	1,400,710
Accrued interest	3,634,950	4,304,179
Investments (Note 3)	256,381,025	224,373,564
	<u>\$ 262,385,618</u>	<u>\$ 230,934,434</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 223,093	\$ 198,318
Provision for future annuities	18,197,765	16,549,527
Total liabilities	<u>18,420,858</u>	<u>16,747,845</u>
Fund balance:		
Defined Benefit Plan	225,105,462	196,018,447
Money Accumulation Plan	13,729,876	14,075,184
Annuity Underwriting	(2,925,890)	(2,955,406)
Supplementary Benefits	8,055,312	7,048,364
Total Fund Balance	<u>243,964,760</u>	<u>214,186,589</u>
	<u>\$ 262,385,618</u>	<u>\$ 230,934,434</u>

(See accompanying notes to the financial statements)

The Municipal Employees' Superannuation Fund

Statement of Changes in Fund Balance

Year Ended December 31, 1989

Statement 2

	Defined Benefit Plan		Money Accumulation Plan		Underwriting Activity		Supplementary Benefits Activity		Total	Total
	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988
Balance, Beginning of year	\$ 196,018,447	\$ 171,853,070	\$ 14,075,184	\$ 13,719,413	\$ (2,955,406)	\$ (2,701,448)	\$ 7,048,364	\$ 5,176,240	\$ 214,186,589	\$ 188,047,275
Add:										
Contributions										
— employees	7,056,511	6,627,251	66,260	73,531	.....	.....	.....	.....	7,122,771	6,700,782
— employers	7,056,511	6,627,251	41,681	48,251	.....	.....	.....	.....	7,098,192	6,675,502
Interest on funds transferred in	16,551	162,376	.....	.....	.....	.....	.....	.....	16,551	162,376
Interest earned	21,983,410	17,185,858	1,355,470	1,355,550	1,461,858	1,239,515	491,858	534,644	25,292,596	20,315,567
Contributions										
— Rural Pension supplements	14,472	15,053	.....	.....	.....	.....	.....	.....	14,472	15,053
	36,127,455	30,617,789	1,463,411	1,477,332	1,461,858	1,239,515	491,858	534,644	39,544,582	33,869,280
Deduct:										
Transfers to other retirement plans	421,413	337,142	1,263	.....	.....	.....	.....	.....	422,676	337,142
Lump sum payments to estates	79,517	85,982	36,378	8,313	.....	.....	.....	.....	115,895	94,295
Payments in lieu of annuities	52,750	67,070	26,509	1,309	.....	.....	.....	.....	79,259	68,379
Payments to insurance company .....	.....	.....	66,895	.....	.....	.....	.....	.....	66,895	.....
Withdrawals with interest	1,234,336	1,220,881	.....	30,508	.....	.....	.....	.....	1,234,336	1,251,389
Allowance	2,422,988	1,897,731	.....	.....	2,267,841	2,067,948	967,011	796,386	5,657,840	4,762,065
Actuary fees	28,876	8,205	.....	.....	.....	.....	.....	.....	28,876	8,205
Administration fees	512,396	205,348	.....	.....	.....	.....	.....	.....	512,396	205,348
Changes in actuarial value .....	.....	.....	.....	.....	1,648,238	1,003,143	.....	.....	1,648,238	1,003,143
	4,752,276	3,822,359	131,045	40,130	3,916,079	3,071,091	967,011	796,386	9,766,411	7,729,966
Add (Deduct):										
Intra-fund transactions:										
Retirement annuities purchased .....	.....	.....	(2,483,737)	(1,577,618)	2,483,737	1,577,618	.....	.....	.....	.....
Excess employee contributions	(806,063)	(496,187)	806,063	496,187	.....	.....	.....	.....	.....	.....
	(806,063)	(496,187)	(1,677,674)	(1,081,431)	2,483,737	1,577,618	.....	.....	.....	.....
Net Increase (Decrease)	30,569,116	26,299,243	(345,308)	355,771	29,516	(253,958)	(475,153)	(261,742)	29,778,171	26,139,314
Balance before the following	226,587,563	198,152,313	13,729,876	14,075,184	(2,925,890)	(2,955,406)	6,573,211	4,914,498	243,964,760	214,186,589
Funds transferred	(1,482,101)	(2,133,866)	.....	.....	.....	.....	1,482,101	2,133,866	.....	.....
Balance, end of year	\$ 225,105,462	\$ 196,018,447	\$ 13,729,876	\$ 14,075,184	\$ (2,925,890)	\$ (2,955,406)	\$ 8,055,312	\$ 7,048,364	\$ 243,964,760	\$ 214,186,589

(See accompanying notes to the financial statements)

The Municipal Employees' Superannuation Fund

Notes to the Financial Statements

December 31, 1989

1. Description of the Municipal Employees' Superannuation Fund

General

The Municipal Employees' Superannuation Act, Section 11, provides authority for the Municipal Employees' Superannuation Fund. The Act directs that all allowances, payments and refunds under the Act shall be payable out of the fund in the manner provided in the Act together with all benefits granted under a former Act. The Municipal Employees' Superannuation Commission is responsible for holding in trust and investing the monies of the fund. The Municipal Employees' Superannuation Commission's composition and authority to administer the Act are provided in Section 7 of the Act.

Fund Balances

The Municipal Employees' Superannuation Fund is composed of several activities. The activities are outlined below.

Defined Benefit Plan

The defined benefit plan became effective July 1, 1973. Eligible members contribute 7% of earnings net of Canada Pension Plan contributions. Contributions are matched by the employer.

Money Accumulation Plan

The Money Accumulation Plan consists of members who made contributions to the money purchase plan in effect prior to July 1, 1973.

In addition, the accounts associated with the plan may also contain:

- voluntary employee and/or employer contributions made either before or after July 1, 1973;
- any employee and/or employer contributions made to the plan subsequent to normal retirement age, and;
- any excess employee funds transferred from the new plan pursuant to Subsection 20(4) of The Municipal Employees' Superannuation Act.

Annuity Underwriting

Upon retirement, members of the Money Accumulation Plan must purchase an annuity from either the fund or a private insurer based on all employee and employer contributions together with interest thereon. Where the individual elects to purchase an annuity through the Commission, the individual's account balance is transferred to the annuity underwriting activity and an annuity contract is agreed to based on current interest rates and annuity tables.

Supplementary Benefits

In accordance with the Act, the Commission may pay supplementary benefits to superannuates to compensate them for lost purchasing power.

2. Accounting Policies

These financial statements have been prepared in accordance with accounting principles considered appropriate for the fund. The significant accounting policies are as follows.

Accrual Accounting

The financial statements are prepared on the accrual basis. The statements show only the position of the fund as at the year-end and do not purport to show the adequacy of the fund to meet its future obligations except that the fund records a provision for the present value of future annuity payments.

Investments

The bonds and debentures are recorded at amortized cost, and any premiums or discounts associated with their acquisition are amortized on a straight-line basis. When bonds and debentures are sold to permit reinvestment, any gain or loss as a result of the sale and any unamortized premiums or discounts are amortized over the remaining term of the security sold. Short-term deposit certificates, corporate shares, mortgages and real estate are recorded at cost. Any gains or losses resulting from their sale are recognized in the period of the sale.

3. Investments

	1989		1988	
	Cost	Market Value	Cost	Market Value
Bonds and debentures at par	\$ 127,395,947	\$	\$ 125,749,691	\$
Less:				
Unamortized gains/losses	(1,978,819)	.....	(1,691,331)	.....
Unamortized premiums/discounts	(3,740,252)	.....	(3,771,776)	.....
	\$ 121,676,876	\$ 127,338,761	\$ 120,286,584	\$ 122,518,793
Deposit certificates — short-term	45,903,416	45,903,416	55,249,060	55,249,060
Corporate shares	77,272,605	82,546,500	36,487,430	37,103,762
Mortgages	7,112,328	7,101,139	8,215,690	8,312,534
Real estate	4,415,800	5,560,212	4,134,800	4,594,774
Investments — to Statement 1	\$ 256,381,025	\$ 268,450,028	\$ 224,373,564	\$ 227,778,923

The Municipal Employees' Superannuation Fund

4. Actuarial Report

The Pension Benefits Act requires an actuarial valuation of the assets and liabilities of the fund to be made by an actuary at regular intervals not exceeding three years. The most recent valuation was carried out as at December 31, 1986.

The valuation indicates the fund to be fully funded with a surplus, and the current contribution rate more than sufficient to finance benefits to be earned in the future.

The surplus of the fund as at December 31, 1986 was calculated to be \$37,291,237 determined as follows:

Assets	\$ 174,094,342
Actuarial Liabilities	
Money Accumulation Plan	\$ 13,155,730
Active Members	85,428,146
Inactive Members	4,014,810
Deferred Pensions	1,006,854
Pensioners	33,197,565
	\$ 136,803,105
Surplus	\$ 37,291,237

The actuary used the Accrued Benefit Method to determine whether the assets in the fund at valuation date were sufficient to finance the benefits earned in respect of service to the valuation date.

This method examines each benefit that may be payable in the future due to service up to the valuation date multiplying it by its probability of being paid and discounting back to the valuation date using an interest rate. To determine the contribution rate for the future that will finance future benefits to be earned in the future, the Single Premium or Unit Cost Method was used.

The significant actuarial assumptions are as follows:

(a) **Life Expectancy**

It was assumed that future mortality experience would follow the 1983 Group Annuity Mortality Table.

(b) **Rate of Investment Return**

A 7% per annum return on investments was assumed.

(c) **Salary Increases**

Salary increases were assumed to be 6% adjusted to include merit and promotion factors.

(d) **Termination**

Termination pattern used was as follows:

Age	Male %	Female %
20	16.0	32.0
30	8.8	17.6
40	4.7	9.4
50	2.1	4.2

(e) **Retirement**

The actuarial valuation assumed that all police and fire employees retire at age 60 and all other members retire at age 65.

(f) **Dependents**

It was assumed that 100% of males and 80% of females would be married at death and 90% would be married at retirement.

(g) **Asset Values**

Book value was used as a conservative estimate of market value.

5. Investment Counsel and Administration Fees

In 1988, the Commission entered into an investment management agreement with the Investment Corporation of Saskatchewan (ICS). ICS provides investment management services with respect to the investment activities of the fund in exchange for an investment management fee. The Commission is a shareholder in ICS along with several other Saskatchewan public sector pension funds and government agencies.

In 1989, the Commission entered into an agreement with Royal Trust to provide custodial services to the fund for a fee.

The Public Employees' Benefits Agency provides the day-to-day administration of the fund. Effective April 1, 1988, the expenses associated with administering the fund are paid out of the fund to the Public Employees' Benefits Agency Revolving Fund.

The Workmen's Compensation Board Superannuation Fund

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

We have examined the statement of financial position of The Workmen's Compensation Board Superannuation Fund as at December 31, 1989 and statements of operations and fund balance and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Regina, Canada,
April 27, 1990.

Peat Marwick Thorne,
Chartered Accountants.

Statement of Financial Position

December 31, 1989 with comparative figures for 1988

	1989	1988
Assets		
Cash	\$ 71,131	\$ 48,939
Accounts receivable	32,238	62,266
Accrued interest	202,266	192,694
Investments (note 8)	12,848,320	11,388,766
	<u>\$ 13,153,955</u>	<u>\$ 11,692,665</u>
Liabilities and Fund Balance		
Accounts payable	\$ 19,215	\$ 3,786
Fund balance (note 5)	13,134,740	11,688,879
	<u>\$ 13,153,955</u>	<u>\$ 11,692,665</u>

(See accompanying notes to financial statements)

Statement of Operations and Fund Balance

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
Revenue:		
Contributions from Workers' Compensation Board	\$ 152,157	\$ 147,557
Contributions by employees	178,586	173,445
Investment income	1,141,004	1,058,624
Gain on sale of investments	437,039	45,265
	<u>\$ 1,908,786</u>	<u>\$ 1,424,891</u>
Expenditures:		
Superannuates' allowances	398,478	374,189
Refunds to employees leaving service:		
Contributions		53,499
Accrued interest		28,031
Administration expenses (note 3)	64,447	23,016
	<u>462,925</u>	<u>478,735</u>
Excess of revenue over expenditures	1,445,861	946,156
Fund balance, beginning of year	11,688,879	10,742,723
Fund balance, end of year	<u>\$ 13,134,740</u>	<u>\$ 11,688,879</u>

(See accompanying notes to financial statements)

The Workmen's Compensation Board Superannuation Fund

Statement of Changes in Financial Position

Year ended December 31, 1989 with comparative figures for 1988

	1989	1988
Operating activities:		
Excess of revenue over expenditures	\$ 1,445,861	\$ 946,156
Items not affecting working capital:		
Gain on sale of investments	(437,039)	(45,265)
Amortization of premium on purchase of long term investments	(8,089)	(9,237)
Net changes in non-cash working capital balances relating to operations:		
Accounts receivable	30,028	150
Accrued interest	(9,572)	(22,111)
Accounts payable	15,429	3,697
Cash provided by operations	1,036,618	873,390
Investing activities:		
Purchase of investments	(19,227,531)	(10,878,489)
Sale of investments	18,213,105	9,973,473
Cash applied to investing activities	(1,014,426)	(905,016)
Increase (decrease) in cash during the year	22,192	(31,626)
Cash, beginning of year	48,939	80,565
Cash, end of year	\$ 71,131	\$ 48,939

(See accompanying notes to financial statements)

Notes to the Financial Statements

December 31, 1989

1. Description of the plan:

The Fund was established under The Workmen's Compensation Board Superannuation Act. The plan covers employees and board members who were enrolled at October 1, 1977 and who did not elect to transfer to the Public Employees (Government Contributory) Superannuation Plan prior to October, 1978.

2. Significant accounting policies:

Investments

- i) Investments are recorded in the accounts at cost. Any discount or premium is amortized over the period remaining to the maturity date of the investment. When investments are sold prior to maturity, however, any differences between the proceeds and the carrying value of the investments, including any unamortized discount or premium, are taken into revenue or expenditure in that year.
- ii) Short-term investments are recorded at cost which approximates market.

3. Administrative costs:

On June 28, 1988, subsection 3(3) of The Workmen's Compensation Board Superannuation Act was amended through the passing of The Department of Revenue and Financial Services Consequential Amendment Act. The amendment which is retroactive to April 1, 1988 establishes that sums required for the purpose of administering The Workmen's Compensation Board Superannuation Fund shall be a charge, on and paid out of, that fund.

The Workmen's Compensation Board Superannuation Fund is administered by the Public Employees Benefits Agency (PEBA). Prior to April 1, 1988, all expenditures for the administration of PEBA were paid out of the Consolidated Fund. During 1988, subsection 32.1(2) of The Department of Revenue and Financial Services Act was amended to establish The Public Employees Benefits Agency Revolving Fund. The Revolving Fund was established to account for all expenditures previously paid out of the Consolidated Fund for the administration of PEBA. In addition, the Minister of Finance may charge a fee for any services which he provides on behalf of the Revolving Fund.

4. Investment management fees — Investment Corporation of Saskatchewan:

On June 6, 1988 The Workmen's Compensation Superannuation Board resolved to enter into a unanimous shareholder agreement with the Investment Corporation of Saskatchewan. The resolution was retroactive to June 1, 1988.

The Minister of Finance, on behalf of The Workmen's Compensation Board Superannuation Fund acquired 3,346 Class B shares and 100 Class A shares in the Investment Corporation of Saskatchewan (ICS). Under the provisions of the unanimous shareholders agreement, the responsibility for the investment management of the assets owned by The Workmen's Compensation Board Superannuation Fund were transferred to the ICS.

The Workmen's Compensation Board Superannuation Fund

5. Fund balance:

Fund balance represents the accumulated contributions and earnings that, together with future contributions and earnings, will provide for payment of superannuation allowances, the present value of which is disclosed in note 7.

6. Fund contributions:

Member contributions are based on a percentage of salary. The Workers' Compensation Board provides contributions to the Superannuation Fund equal to .85 times the contributions made by employees.

7. Surplus:

According to an independent actuarial review done as at December 31, 1989, the value of the pension plan assets at December 31, 1989 is \$12,599,609 (1988 — \$11,684,076) and the estimated actuarial present value of accrued pension benefits attributed to services rendered to December 31, 1989 is \$10,740,781 (1988 — \$9,917,297). The Workers' Compensation Board is obligated to fund any deficiency in order to meet the Fund's retirement benefits and refund requirements.

The independent consulting actuary values these pension plan assets at market-related values whereby capital appreciation and depreciation, both realized and unrealized, is recognized over a period of four years. Experience gains and losses are amortized using the straight-line method over the expected average remaining service life of the plan participants.

8. Investments:

	1989		1988	
	Book Value	Market Value	Book Value	Market Value
Short term investments	\$ 211,167	\$ 211,167	\$ 528,284	\$ 528,284
Bonds and debentures	7,262,323	7,545,412	7,216,844	7,347,302
Equities	4,891,053	5,328,221	3,149,368	3,470,954
Mortgages, at cost	483,777	497,460	494,270	512,813
	<u>\$ 12,848,320</u>	<u>\$ 13,582,260</u>	<u>\$ 11,388,766</u>	<u>\$ 11,859,353</u>

9. Comparative figures:

Certain of the comparative figures have been restated to conform with the current year's presentation.

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